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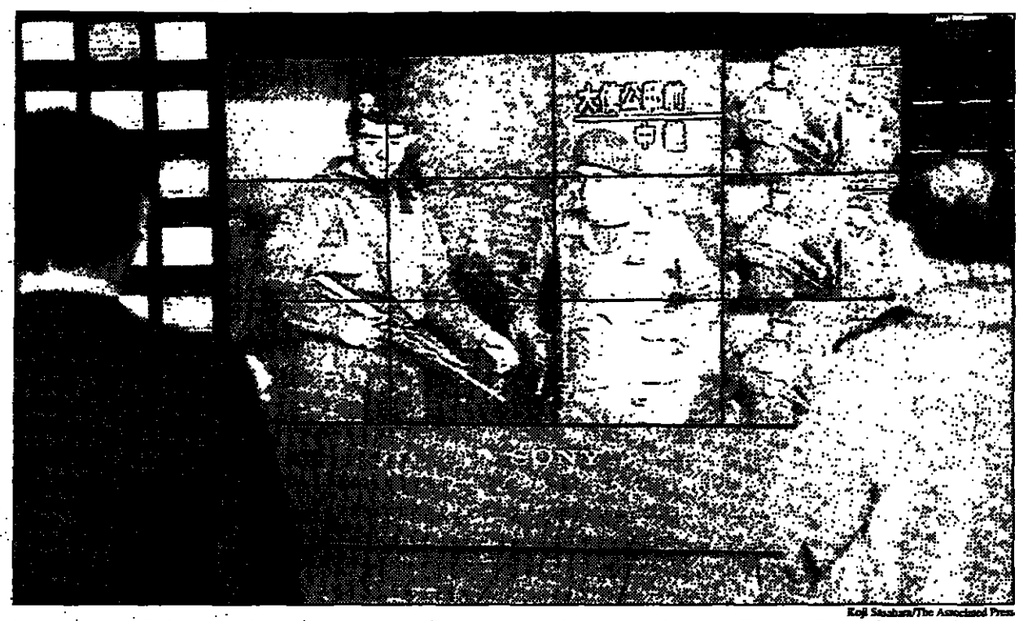
TODAY: MONEY Financial News, Page 15

Hostage Conditions Deteriorate as Peru Stands Firm



Koji Sasahara/The Associated Press

Passers-by in Tokyo watching a report from Lima on a multiscreen television Friday. Japan indicated, then denied, that it was unhappy with the way Peru is handling the hostage crisis, which started Tuesday.

No 'Concrete' Movement in Talks

By Gabriel Escobar
Washington Post Service

LIMA — Talks between the Peruvian government and terrorists holding more almost 400 hostages at the Japanese ambassador's residence continued Friday amid signs that conditions inside the cramped quarters were deteriorating.

The International Committee for the Red Cross, which is conducting a kind of shuttle diplomacy, said its chief delegate here, Michel Minnig, had met for two hours with Peruvian officials and an unspecified amount of time with the terrorists, members of a Marxist group known as the Tupac Amaru Revolutionary Movement.

The cautious assessment delivered by the human rights organization was that a dialogue had been established but that there had been "no concrete advancements in the negotiations."

With the standoff now in its fourth day, hope that the siege at the walled-in compound would end before Christmas seemed to be ebbing. One of the only concrete developments in what was another day of few pronouncements was evidence that the humanitarian side of the crisis was growing to handle the many needs presented by the prolonged captivity of so many.

For the first time, full meals were delivered, along with water and other supplies, as well as several portable sanitation units. Families of the hostages began dropping off parcels of clothing and medicine at the Red Cross, which hoped to deliver them soon.

It is not surprising that with so many people crowded into the second floor of the residence, living conditions would be at the very least a hardship for the ambassadors, politicians and other dignitaries. And Friday the Red Cross said the toll of spending so many days in an area that had only three bathrooms and five rooms was becoming evident. Steven Anderson, the Red Cross spokesman here, described the situation as "deteriorating."

One unusual development Friday was the appearance of signs at the windows of the residence, including one asking that the utilities be restored and another asking for a television crew from a Japanese television network. By Friday evening, no crew had entered the complex, and the request undoubtedly presents another complication for Peruvian authorities, who must grant permission, for the Japanese, who will have a say, and even for the network itself, whose employees would be entering an unpredictable situation.

[President Alberto Fujimori has kept a public silence since the hostage-taking Tuesday, Reuters reported from Lima, but his prime minister, Alberto Pandolfi, said Friday that international condemnation of the guerrillas and support for the government "gives us the peace

See PERU, Page 7

Tajiks Seize 23 Hostages

A guerrilla group in Tajikistan seized 23 hostages, including seven UN military observers, in the latest incident in the former Soviet republic's four-year civil war. The hostage-takers are demanding the release from detention of the brother of Rizvon Sadirov, a former Islamic opposition leader who defected to the government last month. (Page 7)

Subpoenas Widen Probe Of Donations To Clinton

Legal Defense Fund And White House Told to Yield Records

By Stephen Labaton
New York Times Service

WASHINGTON — The Justice Department has issued subpoenas to the White House and President Bill Clinton's legal defense fund seeking four years' worth of records containing details about the activities of many of the Democrats' most important fund-raisers and supporters.

The grand jury subpoenas were issued by Justice Department lawyers who are part of a special task force investigating the campaign finances of the Democrats. The subpoena received Thursday by the legal defense fund is the first sign that prosecutors have expanded their investigation to examine donations provided by the Arkansas businessman Charles Yah Lin Trie.

An administration official who insisted he not be identified said that on Dec. 9 the White House received a subpoena for records and information about more than two dozen fund-raisers and other supporters of the president who figure prominently in news accounts about questionable fund-raising practices.

[Mr. Clinton said Friday that it was "clearly inappropriate" that a Chinese arms dealer had been allowed into the White House just months before his company was implicated in arms smuggling, The Associated Press reported.

["We have to do a better job of screening people who come in and out of here," the president said, adding, "I am disappointed" that Wang Jun was allowed to attend a White House reception on Feb. 6. "I remember literally nothing about" Mr. Wang, he said, including meeting him. The reception was for Democratic donors and dignitaries.]

See RECORDS, Page 7

Japan and Allies 'Far Apart' on Crisis

Tokyo Leans Toward an Oft-Used Principle: Compromise

By Kevin Sullivan
Washington Post Service

TOKYO — With the United States and Peru taking a hard line toward the hostage-takers in Lima, Japan finds itself increasingly at odds with its close allies about how to solve the crisis.

Japanese leaders, unaccustomed to dealing with international terrorism, have not backed up the "no concessions" stance by Peru toward the guerrillas holding hundreds of hostages in the Japanese ambassador's residence in Lima. Japanese officials have said only that the hostages are their top priority.

Prime Minister Ryutaro Hashimoto has not specified his negotiating stance with the guerrillas. But to many in Japan, where avoiding conflict is a way of life, giving in to the demands that the rebels' jailed comrades be freed sounds like a reasonable payment for the hostages' lives.

In the past, Japan has tended to buy its way out of international jams. During the Gulf War, Japan provided $13 billion, but no troops or ships until the fighting was over. And at least twice in the last four years, Japanese companies have paid huge ransoms to free executives kidnapped abroad. One was returned after a $2 million payment; another was found dead after a $750,000 ransom was paid.

As officials in Peru as well as the United States, two of Japan's closest allies and trading partners, counseled rejection of the rebels' demands, tension in Tokyo was clearly visible Friday. Seiroku Kajiyama, the government's chief spokesman, said that "Japan and Peru are far apart in ideas" on how to free the hostages and that "there will be no major progress unless those differences are adjusted."

[The Foreign Ministry later insisted Friday that its views are "one and the same" with those of Peru's government, The Associated Press reported from Tokyo.]

Though Mr. Kajiyama did not spell out the differences, analysts in Japan said it would be extremely difficult for Mr. Hashimoto to approve the use of a military or police force to attempt to free the hostages. The Japanese residence in Lima is technically Japanese territory, so Japanese permission is believed necessary for any kind of armed assault.

"Based on our constitution, we will

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'For the Glory of France'

50 Years On, Vietnam Wall Is 'a Little Late'

By Mort Rosenblum
The Associated Press

FREJUS, France — France has unveiled its own Vietnam wall before a small crowd of gray-haired veterans, many still bitter over a conflict that divided the French and brought down their colonial empire.

Under a bleak drizzle Thursday, a color guard officer barked, "To our dead," and old men wept at the slow drumroll, the bugle call and a burst of the French anthem, "La Marseillaise."

The French dead in Vietnam numbered 55,000, a figure nearly as high — for a country one-fifth as populous as the United States — as the American death toll of 58,000. France's eight-year war officially began 50 years ago Thursday.

Unlike the sweeping Vietnam monument in Washington, France's Memorial to Indochinese Wars is a modest open-air concrete pantheon nestled among pines and olive trees at Frejus, a Mediterranean port of tourist hotels and Roman ruins near Toulon.

One wall carries nearly 35,000 names in black, on stone under Plexiglas. The remains of 17,250 other soldiers are in adjacent vaults.

Some are familiar French names, including the sons of two field marshals. The war took 1,300 young lieutenants France needed to rebuild an army bleeding from World War II.

But many of the names are exotic. Long columns of Mohammeds and Nguyens recall the price that colonial troops paid in defending the empire. The occasional Gunter brings to mind the French Foreign Legion.

"All those who died in Indochina for the glory of France must have their day, and that day has come," said Pierre Pasquini, minister of veterans affairs, the only government official to speak.

"It is a little late, don't you think?" observed Rene Desveaud, 69, with thick glasses and a jaunty red paratrooper beret. "No one cared about us all these years. We were totally forgotten."

Mr. Desveaud remembers coming home to hostility much like the feelings Americans faced later. French leftist organizations brought people into the street to chant insults.

"They even tried to block the ships

See VIETNAM, Page 7

California Educators Give Black English a Voice

By Elaine Woo and Mary Curtius
Los Angeles Times

OAKLAND, California — Saying it has failed to adequately educate black youngsters, the Oakland Unified School District has declared black English a second language, making it the first district in the nation to give the dialect official status in programs targeting bilingual students.

The move to recognize the black vernacular — called "Ebonics" by some educators who consider it a distinct language spoken by the descendants of slaves — was approved unanimously by the Oakland school board.

The vote was called historic by some educators and policymakers, who said it opened the possibility that Oakland could vie for federal funding available to help students who speak languages other than English.

But others sounded strong notes of caution, suggesting that the decision stood on weak ground educationally and could lead to a political backlash.

"We are not aware of any research which indicates that this kind of program will help address the language and achievement problems of African-American students," said the California superintendent of public instruction, Delaine Eastin. "If it does not — or worse, if it becomes a way of lowering standards for those students — then it is a bad idea."

Language experts predicted that Oakland's decision would be closely watched by other school systems around the country, particularly large urban districts that long have struggled to improve the academic performance of minority students.

Although the origins and history of "black speech" are disputed, linguists generally agree that there are about 50 characteristics that differentiate it from standard English. One of the most common is the wide use of "be" to denote an ongoing action, as in "He be going to work."

[Other examples, provided by the American Speech, Language and Hearing Association and Oakland students, according to The Associated Press:

- Consonants at the ends of words are simplified. Thus, "hand" becomes "han."
- The final ng sound drops the g, so "walking" becomes "walkin."
- Use of "done" to emphasize an action has been completed, as in "He done did it."]

Such usage makes many people cringe and may prevent users from entering mainstream society — or getting jobs.

Supporters of the dialect say they view Oakland's move, which came Wednesday, as a strategy to unstigmatize young users of such language while teaching them standard English.

China's Last Imperial Eunuch Dies at 93

By Seth Faison
New York Times Service

SHANGHAI — Over the centuries, the most secretive and grotesque corner of China's imperial court belonged to the fraternity of special guardians: the eunuchs whose high voices and soft demeanors often cloaked the viciousness of their back-alley politicking and custody of the Forbidden City's magnificent exotica.

When the last emperor's last eunuch died this week, he closed the final page on a bizarre chapter of Chinese imperial history, even though the last dynasty and its ancient system of governing were overthrown in 1911.

The eunuch, Sun Yaoting, was just days shy of 94 years old when he died at his home in a Beijing temple Tuesday.

Like the thousands who preceded him through Chinese history, Sun was emasculated as a young boy, in a crude and risky operation arranged by his family, looking for a way out of poverty and into the private domain of China's rulers.

Aside from the emperor, eunuchs were generally the only men trusted to enter the inner courtyards of the palace, where the women of the imperial family and harem lived. Other men, including officials, military guards and even the emperor's male relatives, were often required to leave the palace grounds at night.

Using only hot chili sauce as a local anesthetic, the people who performed this fateful operation typically did so in one swoop, using a small, curved knife.

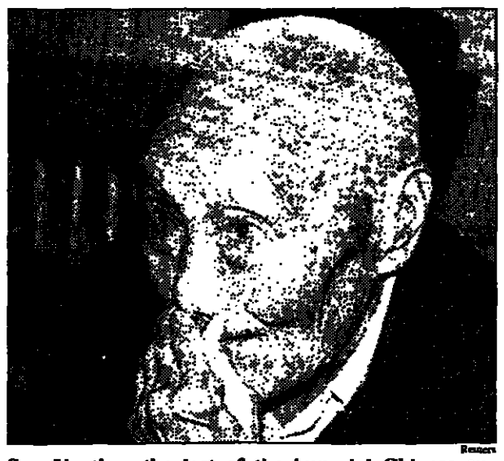
In exchange for a lifetime of humiliation marked by incontinence and sexual frustration, a few eunuchs were able to achieve tremendous influence and wealth.

Only months after Sun's family forced him through this ordeal in 1911, the Manchu Dynasty, which had ruled China since the early 1600s, was overthrown, bringing an end to this system.

Yet Sun continued to serve Pu Yi, the puppet monarch depicted in the film "The Last Emperor," during the ensuing decade, when the former ruler was allowed to continue to live in the Forbidden City, occasionally playing tennis in its spacious courtyards.

Sun's biographer, Jia Yinghua, said the last eunuch was memorialized in a

See EUNUCH, Page 7



Reuters

Sun Yaoting, the last of the imperial Chinese eunuchs, who died on Wednesday in Beijing at age 93.

German Health System Under Strain to Reform

Rising Costs Threaten Cherished Benefits

By John Schmid
International Herald Tribune

FRANKFURT — Germany's universal health care system, by many measures one of the best in the world, is facing huge new losses, forcing the government to seek reduced benefits and calling into question a cherished German commitment to social welfare.

The prospect of a fresh round of cuts in medical services has prompted thousands of Germans to march on the Health Ministry in Bonn this month. At the same time, interest groups representing a wide range of medical practitioners are complaining that the measures would cost up to 100,000 jobs for physiotherapists, masseurs, speech therapists and home nurses, who could be among the first to be targeted by the cutbacks.

But more is at stake than rationing what the government calls optional treatments, critics of the cutbacks say. In the drive to reduce spiraling costs, the government is seeking a radical change in German society, the critics say, by breaching a social compact known widely as the "principle of solidarity," which lies at the heart of the public health insurance system.

Germany is hardly alone in coming to terms with an overburdened health care system. France, among other European nations with socialized health care, is struggling to find ways to cut back benefits. In the United States, spending increases on medical care have led to major shifts in how health care is provided.

Under the current system in Germany, medical services are dispensed generously to everyone. Risk profiles play no role in determining premiums, which are set solely on the basis of income and paid for through mandatory payroll deductions.

According to unions, charities and public health insurers, the government's plans will inject free-market economics into a tightly regulated sphere that has been virtually immune to competition. What will emerge is a "two-class" system in which coverage is cheaper for young and healthy people and

See GERMANY, Page 7

France's main unemployment fund has agreed to increase benefits and reduce payroll taxes. Page 9.

Dow Jones	Trib Index
Up 10.76	Up 0.69%
6484.40	148.04

The Dollar

New York	Fri. close	previous close
DM	1.5518	1.5582
Pound	1.6703	1.664
Yen	114.345	114.03
FF	5.2375	5.2605

Newsstand Prices

Andorra	10.00 FF	Lebanon	LL 3,000
Antilles	12.50 FF	Morocco	16 Dh
Cameroon	1,600 CFA	Qatar	10.00 Riels
Egypt	£E 5	Réunion	12.50 FF
France	10.00 FF	Saudi Arabia	10.00 R.
Gabon	1100 CFA	Senegal	1,100 CFA
Greece	350 Dr.	Spain	225 PTAS
Italy	2,800 Lire	Tunisia	1,250 Din
Ivory Coast	1,250 CFA	U.A.E.	10.00 Dirh
Jordan	1,250 JD	U.S. Mil. (Eur.)	$1.20

AGENDA

Clinton Fills Final 4 Cabinet Positions

President Bill Clinton finished naming the team for his second-term cabinet by switching Federico Pena from the Transportation to the Energy Department and naming a White House aide, Alexis Herman, to become labor secretary.

The president named the federal highway administrator, Rodney Slater, to become transportation secretary, and named Andrew Cuomo, son of a former New York governor, to head Housing and Urban Development. Mr. Clinton also appointed his former chief of staff, Thomas McLarty, as special envoy to Latin America. (Page 3)

Will Apple Call Co-Founder Back for Another Bite?

Apple Computer Inc. reportedly is turning to a co-founder and former chairman, Steven Jobs, to refurbish the operating software for its Macintosh personal computer.

Mr. Jobs will be hired as a part-time consultant and technology director for rebuilding the Mac software, a project crucial to Apple's future as a significant computer competitor, the Los Angeles Times reported Friday.

A deal would be a remarkable reunion between Apple and the man who guided the development of the first Macintosh. (Page 9)

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Another Mole Trapped Suspected FBI Agent

ASIA/PACIFIC Page 4.
China Ignores U.K. Threats on Hong Kong

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Netanyahu Eases Stance on Palestine State

OPINION Page 6.
Barbarism Is Spreading Across the World

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AT&T

Gonzalez Presents Appeal to Milosevic on Serbian Elections

By John Pomfret
Washington Post Service

BELGRADE — A delegation representing 10 countries, including the United States and Russia, and led by a former Spanish prime minister, arrived in Belgrade on Friday night to pressure the Serbian president, Slobodan Milosevic, to respect the results of a Nov. 17 election, the partial annulment of which has sparked 33 straight days of street protests.

The delegation arrived on one of the tensest days of the largely peaceful protests. About 20,000 students and up to 200 riot policemen faced off Friday on a main Belgrade bridge as the students sought to block rush-hour traffic heading into and out of the heart of the city. The students succeeded in slowing traffic on three bridges for a while before they dispersed.

Felipe Gonzalez, the former Spanish prime minister, flew into Belgrade on his private jet and was joined later by members of the Organization for Security and Cooperation in Europe.

Two Western sources said Mr. Gonzalez was carrying a message for Mr. Milosevic, whom he met immediately. While the sources did not reveal the exact wording of the note, they said it urged the president to respect the results of the election. Officials from Mr. Milosevic's Socialist Party of Serbia overturned opposition victories in 14 of Serbia's 19 biggest cities. While the opposition later secured victories in some of those towns, it still demands that its triumph be restored in the capital, Belgrade, the important southern industrial city of Nis and Kraljevo in central Serbia.

Western diplomats say the 24-hour visit of the OSCE delegation to Serbia has been engineered by Mr. Milosevic because he is anxious to find a face-saving way to defuse the protests. The demonstrations mark the most serious and most sustained challenge to his nine-year rule of Yugoslavia.

On Thursday, the Yugoslavian foreign minister, Milan Milutinovic, told reporters that Belgrade would consider any of the OSCE's recommendations, including holding new elections.

Mr. Milosevic's wife, Mirjana Markovic, a hard-line Communist ideologue and influential political player in Yugoslavia, lashed out at the demonstrators on Friday, accusing them of fomenting "civil war." So far, about 40 demonstrators have been arrested.

Some of Mr. Milosevic's aides in the Socialist Party have argued that if he acknowledges defeat in Belgrade, it would start him down the slippery slope traveled by the rest of Eastern Europe's deposed Communist rulers. But more liberal supporters, such as those from New Democracy, a party of business leaders, have countered that if he ignores mounting Western pressure, Yugoslavia will lose the economic and diplomatic advantages gained over a year in which Mr. Milosevic has repackaged himself as the new peacemaker in the Balkans.

While the recommendations of the OSCE team will not be binding on Yugoslav authorities, a Western official said Mr. Milosevic will be under intense pressure to do what the OSCE suggests.

Opposition officials, like Zoran Djindjic, have urged the OSCE not to call for new elections in Belgrade or other towns but rather to demand that Mr. Milosevic respect the results of the vote.

"The regime will yield, either under our pressure or from its own weaknesses," Mr. Djindjic told the nightly rally on Thursday. "We are persevering in our demands; the monolith is slowly cracking."

On Friday night, Mr. Gonzalez met with Mr. Milosevic and members of a coalition of five opposition parties, called Together.

On Saturday, he and the rest of his team will have more lengthy meetings with both sides.

Sometime after Christmas, Mr. Gonzalez is expected to complete his report and submit it to Flavio Cotti, the OSCE's chairman. At that point, Mr. Cotti could make at least a part of Mr. Gonzalez's recommendation public.

The delegation's short stay in Serbia has raised some concern about Western diplomats in Belgrade. But a Western official argued that a day was all that was needed.

"It is not as if the delegation is completely unaware of what has happened so far," the official said. "This trip is basically to focus on what is happening now. It is a political trip not a technical verification."

Western officials said that one element of Mr. Gonzalez's proposal could involve elections for next year in Serbia and some reorganization of Yugoslavia's strictly controlled electronic media.

Opposition officials said that if Mr. Milosevic allows them equal access to state-run electronic media, which is heavily biased toward the president, then the vote would be fairer.

Oleg Popov/Reuters

A Belgrade student showing her identity card behind a police line during a protest on Friday.

NATO Force in Bosnia Marks Formal Change

Reuters

SARAJEVO, Bosnia-Herzegovina — NATO commanders formally launched a multinational peacekeeping mission in Bosnia on Friday to take over from its original force in the former Yugoslavia.

General George Joulwan, the North Atlantic Treaty Organization's supreme commander in Europe, presided over a ceremony handing authority to a 35,000-strong Stabilization Force, a successor to the Implementation Force. General Joulwan said in a speech that the new force would work to solidify the fragile peace in Bosnia that had held since the signing of the Dayton peace accords in December 1995.

"IFOR has provided the wind of opportunity, and SFOR will provide the stable environment for the transition of your country from war to peace," he said, using the military's acronyms for the old and new forces.

Ultimately Bosnia's political leaders will determine whether the peace lasts, he said.

General William Crouch, the American commander of the new force, will have about half as many troops as in the previous contingent, which had close to 60,000 at its peak. Apart from the new acronym and the scaled-down size, the mission remains essentially the same.

BRIEFLY EUROPE

France Suspends Swiss Beef Imports

PARIS — France suspended imports Friday of live cattle and beef from Switzerland, the European country most affected by "mad-cow" disease other than Britain, Agriculture Minister Philippe Vasseur said.

"This precautionary measure is taken pending the official position of the European Union," Mr. Vasseur said. "It is justified by the absolute priority we place on protecting consumers."

Switzerland has reported 230 cases of bovine spongiform encephalopathy, the most of any European country except Britain.

It has announced plans to spend about 6.5 million Swiss francs ($4.9 million) to slaughter at least 1,500 cows to eradicate the disease. *(Reuters)*

EU Eases Quota On Fish Catches

BRUSSELS — The European Union agreed Friday to soften proposed cuts in fish-catch quotas in 1997, removing most of the pain for fishermen while trying to protect endangered stocks.

The European Commission, acting on scientific advice, had proposed further reductions aimed at safeguarding depleted fish stocks and the future of the EU fishing industry.

"We have agreed sensible and pragmatic quotas," Marine Minister Sean Barrett of Ireland, who chaired the meeting, said.

Belgium and Sweden voted against the quotas, officials said. *(Reuters)*

Spain's High Court To Charge Officials

MADRID (Reuters) — The Supreme Court has decided to charge officials of the Socialist Party, Spain's former governing party, with illegal funding, court documents published Friday showed.

Guillermo Galeote, the former finance director for the Socialist Workers' Party, and its former accounts director Aida Alvarez were among 26 people to be charged in the so-called Filesa corruption case, the documents showed.

Seven people, including two former Socialist parliamentarians, have already been accused in the case, which was named after a company allegedly set up to channel funds to the party. *(Reuters)*

For the Record

A Danish jury found two members of the Hell's Angels motorcycle gang guilty Friday of murdering the leader of the rival Bandidos gang and attempting to kill his companions in an ambush in March at the Copenhagen international airport. *(Reuters)*

Germany and the Czech Republic signed a joint declaration Friday aimed at healing the wounds of World War II and the Communist era that followed. The agreement expresses regret for injustices committed by both sides and sets up a fund for joint projects. *(Reuters)*

Baghdad Says It Uncovered A CIA-Sponsored Spy Ring

By Douglas Jehl
New York Times Service

BAGHDAD — The government said Friday that it had uncovered an espionage ring sponsored by the Central Intelligence Agency, and it broadcast the confessions of four Iraqis who said they had taken part in the operation.

Among those shown on state television were an army officer who said he had been recruited to provide information about the Iraqi Army. All were involved in missions directed against "Iraq, its people and President Saddam Hussein," the official Iraqi press agency said.

Iraq provided no details about how or when the group was caught.

In Washington, the State Department spokesman, Nicholas Burns, called the Iraqi claim "a tired propaganda ploy."

"Frankly, if anybody believes these reports, they ought to have their heads examined," Mr. Burns said. "Saddam Hussein has made a history, as have other members of his corrupt regime, of lying to their own population, as well as to the rest of us around the world."

Mr. Burns said Mr. Saddam was simply searching for scapegoats to deflect attention from the economic and political isolation of Iraq. "It's a terrible thing," he said. "Baghdad's a very cruel place to live these days."

But U.S. officials said that those put on display might be part of a group that was captured this summer while working in concert with the CIA to undermine the Iraqi leader.

That group included dozens of people who had been working with the Iraqi National Accord, a CIA-sponsored organization based in Amman, Jordan, that includes several former top Iraqi military officers and was penetrated by Iraqi agents, the U.S. officials said.

The officials spoke before Friday night's broadcast, and they warned that they were offering only informed speculation. But after repeated setbacks to American operations against the Iraqi regime in the past six months, it was significant that they did not try to portray the confessions as trumped-up.

But some Baghdad-based diplomats suggested that the timing of the announcement Friday might have been dictated by the government's desire to demonstrate to its citizens that it remains firmly in control.

Juppe to Stay True to Form

Reuters

PARIS — In a novel explanation of his low standing in opinion polls, Prime Minister Alain Juppe revealed Friday that President Jacques Chirac had told him people would find him more likable if he put on weight.

Mr. Juppe has been venting his spleen at being unloved in an extraordinary series of interviews to promote a book, "Entre Nous," in which he admits to feeling wounded by constant criticism.

"The president often tells me, 'You ought to put on 10 kilos, people would find you more cuddly.'

"He's probably right," Mr. Juppe said.

Asked if he was jealous of some of his rotund political rivals, he replied: "Honestly no. Not at all. I feel much better in my own skin."

Swedish Bank to Search for Nazi Gold

The Associated Press

STOCKHOLM — Sweden's central bank announced Friday that it would open a new inquiry into whether it holds gold looted from other countries by the Nazis in World War II.

"There is reason to undertake a renewed examination of the Riksbank's archives to investigate whether they contain additional information that throws light on the Riksbank's acquisition of so-called looted gold," said the bank's chief lawyer, Robert Sparve.

It would be the second time in a year that the Riksbank has investigated its gold reserves.

Last month, Mr. Sparve said an inquiry earlier this year turned up no indication that its gold reserves included any that could be connected with stolen Nazi gold. But a bank spokesman, Michael Wallin, said Friday that that investigation had been conducted before the release of British documents with new information about the size of Nazi plunder.

The release of those documents raised new calls for investigations into bank holdings of looted gold as well as assets deposited by Holocaust victims. Most of the gold is believed to have ended up in Switzerland, but some went to other neutral countries.

East German Spy Chief Is Charged

Agence France-Presse

DUSSELDORF — Markus Wolf, the former East German spy, is to go on trial again Jan. 7, this time for the kidnapping and unlawful imprisonment of an agent who defected to the West nearly 35 years ago, a court said Friday.

The agent, Walter Thraene, was allegedly beaten and taken back to East Germany. He was kept behind bars for more than 10 years. He fled to Austria in 1992 and died in 1993.

Mr. Wolf, 73, headed the secret services from 1958 until 1987. He was sentenced in 1993 by a Dusseldorf court to six years in prison for treason and corruption, but the conviction was quashed under a Constitutional Court ruling of May 1995.

The Constitutional Court judges held that the principal organizers of the East German espionage network could not be prosecuted for treason, but did not rule out trials for criminal offenses.

Long known as "the man with no face" by Western intelligence services, who before 1978 had no photograph of him, Mr. Wolf wreaked havoc in West Germany by infiltrating his agents into the highest spheres of public life.

Corrections

A headline in Friday's editions incorrectly characterized the article it accompanied. The Organization for Economic Cooperation and Development predicted that 1997 growth in output in major industrialized countries would be like that of recent years, far slower than in the previous three decades.

Because of an editing error, the military district in which St. Petersburg lies was misidentified in Wednesday's editions. It is the Leningrad military district.

See our
Arts and Antiques
every Saturday

TRAVEL UPDATE

French Police Looking for Guy in Red Suit

PARIS (Reuters) — When Santa Claus goes to work in bomb-wary Paris, he must pass by armed soldiers and show his bag packed with his red costume and white beard to guards equipped with metal detectors.

Christmas in France this year will be darkened by the "Vigipirate" security plan, reintroduced after a bomb in a Paris rush-hour train by suspected Algerian Islamic guerrillas killed four people and triggered fears of new attacks.

In a high-profile show of strength designed to reassure and deter, soldiers and police have tightened surveillance around the capital's railroad stations and tourist sites such as the Eiffel Tower and major department stores.

A week of heavy rains and strong winds has destroyed many crops, halted train services and blocked roads in southwestern Spain, authorities said Friday. More than 35 main roads and highways linking the Andalusian cities of Huelva, Seville, Malaga and Cadiz were temporarily closed to traffic because of flooding. Agricultural officials said flooding had destroyed 5 billion pesetas ($4 million) worth of crops, including much of the region's famous strawberries. *(AP)*

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RELIGIOUS SERVICES

AMSTERDAM

CROSSROADS INTERNATIONAL CHURCH Interdenominational & Evangelical Sunday Service 10:00 a.m. & 11:30 a.m./ Kids Welcome. De Cuserstraat 3, S. Amsterdam Info. 020-641 8812 or 020-6451 653.

FRANCE/TOULOUSE

HOPE INTERNATIONAL CHURCH (Evangelical). 4, bd. de Plbrac, Colomier. *Sunday service. 6:30 p.m.Tel.:* 05 62 74 11 55.

FRENCH RIVIERA/CÔTE D'AZUR

NICE: **Holy Trinity.** (Anglican/ Episcopalian), *11 rue de la Buffa:* Sunday Eucharist at 11 a.m.; Weekdays as on notice board. VENCE: St-Hugh's, ave. de la Résistance: Sunday Eucharist at 9 a.m. Contact Father Ken Lists 05 93 87 19 83.

MONTE CARLO

MONACO CHRISTIAN FELLOWSHIP Worship Service, Sundays: 11 a.m. *9, rue Louis Notary, Monte Carlo.* Tel.: 377 92 16 56 47. Christmas Chorale Presentation on Sunday 22nd December at 7 p.m.

MUNICH

INTERNATIONAL COMMUNITY CHURCH. Evangelical Bible Believing services in English 4:30 p.m. Sundays at Enhubenstr. 10 (U2 Theresienstr.) (089) 850-86617.

PARIS and SUBURBS

EMMANUEL BAPTIST CHURCH - An evangelical church in the western suburbs, all are welcome. 9:45 First Service concurrent with Sunday School. 11:00 Second Service with Children's Church. French Service 6:30 p.m. 55, rue des Bons-Raisins, 92500 Rueil-Malmaison. For info, call 01 47 51 29 83.

HOPE INTERNATIONAL CHURCH Hotel Orion at Paris-la-Défense, 8 bd. de Neuilly. Worship Sundays 9:30 a.m. Rev. Douglas Miller, Pastor. Tel.: 01 43 33 04 06. Métro 1 to la Défense Esplanade.

SAINT JOSEPH'S CHURCH (Roman Catholic). MASS IN ENGLISH: Sat, 6:30 p.m.; Sun. 9:45, 11:00 a.m., 12:15, 6:30 p.m. 50, avenue Hoche, Paris 8th. Tel.: 01 42 27 28 56. Metro: Charles de Gaulle - Etoile.

ST. MICHAEL'S CHURCH (evangelical Anglican). Sundays 10:30 a.m. (with children's club and creche) and 6:30 p.m. Midweek study groups. Christ-centered fellowship in the heart of Paris. 5 rue d'Aguesseau, 75008. Tel.: 01.47.42.70.88. Metro: Concorde.

TOKYO

ST. PAUL INTERNATIONAL LUTHERAN CHURCH, near Ichibashi Stn. Tel.: 3261-3740 Worship Service 9:30 a.m. Sundays.

TOKYO UNION CHURCH near Omotesando Subway Sta. Tel. 3400-0047. Worship Services Sunday 8:30 & 11:00 a.m., SS at 9:45 a.m.

ZURICH-SWITZERLAND

ENGLISH-SPEAKING CATHOLIC MISSION: St Anton Church, *Minervastraße 63, near Kreuzplatz.* Sunday Mass: 8:30 a.m. & 11:30 a.m. Tuesday, Dec. 24, Mass at 7:00 p.m. Wednesday Dec. 25, Mass at 10:30 a.m. *only Services held in the crypt of St* Anton.

SWITZERLAND

BASEL CHRISTIAN FELLOWSHIP English-Speaking non-denomina-tional. Tel. +41 61 302 1674, Sundays 10:30 Mittlere Strasse 13, CH-4056 Basel.

THE EPISCOPAL CHURCHES OF EUROPE (Anglican)

PARIS and SUBURBS

THE AMERICAN CATHEDRAL OF THE HOLY TRINITY, Sun. 9 & 11 a.m., 10:45 a.m. Sunday School for children and Nursery care. Third Sunday 5 p.m. Evensong. 23, avenue George V, Paris 75008. Tel.: 33-01 53 23 84 00. Metro: George V or Alma Marceau.

FLORENCE

ST. JAMES' CHURCH, Sun. 9 a.m. Rite I & 11 a.m. Rite II. Via Bernardo Rucellai 9, 50123, Florence, Italy. Tel.: 39/55 29 44 17.

FRANKFURT

CHURCH OF CHRIST THE KING (Episcopal/Anglican) *Sun.* Holy Communion 9 & 11 a.m. Sunday School and Nursery 10:45 a.m. Sebastian Rinz St. 22, 60323 Frankfurt, Germany, U1, 2, 3 Miquel-Allee. Tel: 49/69 55 01 84.

GENEVA

EMMANUEL CHURCH, 1st & 3rd Sun. 10 a.m. Eucharist; 2nd & 4th Sun. Morning Prayer. *3 rue de Monthoux, 1201 Geneva,* Switzerland. Tel.: 41/22 732 80 78.

MUNICH

THE CHURCH OF THE ASCENSION, Sun. 11:45 a.m. Holy Eucharist and Sunday School, Nursery Care provided. Seybothstrasse 4, 81545 Munich (Harlaching), Germany. Tel.: 49/89 64 81 85.

ROME

ST. PAUL'S WITHIN-THE-WALLS, Sun. 8:30 a.m. Holy Eucharist Rite I; 10:30 a.m. Choral Eucharist Rite II; 10:30 a.m. Church School for children & Nursery care provided: 1 p.m. Spanish Eucharist. Via Napoli 58, 00184 Rome. Tel.: 39/6 488 3339 or 39/6 474 3569.

BRUSSELS/WATERLOO

ALL SAINTS' CHURCH, 1st Sun. 9 & 11:15 a.m. Holy Eucharist with Children's Chapel at 11:15. All other Sundays: 11:15 a.m. Holy Eucharist and Sunday School. 563 Chaussée de Louvain, Ohain, Belgium. Tel. 32/2 384-3556.

WIESBADEN

THE CHURCH OF ST. AUGUSTINE OF CANTERBURY, Sun. 10 a.m Family Eucharist, Frankfurter Strasse 3, Wiesbaden, Germany. Tel.: 49/611.30.66.74.

EUROPEAN BAPTIST CONVENTION

BERLIN

I.B.C., BERLIN, Rothenburg Str. 13, (Steglitz). Sunday, Bible study 10.45, *worship Service 12.00 noon. Charles* Warford, pastor. Tel.: 030-774-4570.

BREMEN

I.B.C., Hohenlohestr. Hermann-Bose-Str. Worship Sun. 17:00, Pastor telephone: 04791-12877.

BUCHAREST

I.B.C., Strada Popa Rusu 22. 3:00 p.m. Contact Pastor Mike Kemper, Tel. 312 3860.

BUDAPEST

I.B.C., meets at Morics Zsigmond Gimnazium, Torokvesz ut 48-54, Sun. 10:00. Tel. 250-3882.

BULGARIA

I.B.C., World Trade Center, 36, Drahan Tzankov Blvd. Worship 11:00. James Duke, Pastor. Tel.: 689 888.

FRANKFURT

INTERNATIONAL CHRISTIAN FELLOWSHIP, Sodenerstr. 11-18, 63150 Bad Homburg. A friendly, Christ-centered, church serving the English-speaking community. Sunday Worship. S.S. & Nursery 09:45. Weekday Groups. Pastor: M.P. Levey. Call 06173-62728.

BETHEL I.B.C. *Am Dachsberg 92* (English), Worship Sun. 11:00 a.m. and 6:00 p.m. Tel.: 069-549559.

HOLLAND

TRINITY INTERNATIONAL invites you to a Christ centered fellowship. Services: 9:00 and 10:30 a.m. Bloemcamplaan 54, Wassenaar 070-517-8024 nursery prov.

NICE - FRANCE

I.B.C. 13 rue Vernier, English service, Sunday evening 18:30, pastor Roy Miller - Tel.: (04 93) 32 05 96.

PRAGUE

I.B. FELLOWSHIP, Vinohradska # 68, Prague 3. Sun. 11:00. Tel.: (02) 311 7974.

WATERLOO

WATERLOO BAPTIST FELLOWSHIP Sun. 19:00 at Swedish Church, across from McDonalds, Tel.: (02) 353 1585.

ZURICH - SWITZERLAND

I.B.C of Zürich, Gheistrasse 31, 8803 Rüschlikon, Worship Services Sunday mornings 10:30. Tel.: 1-4810016.

ASSOC. OF INT'L CHURCHES

BERLIN

AMERICAN CHURCH IN BERLIN, cor. of Clay Allee & Potsdamer Str., S.S. 9:30 a.m., Worship 11 a.m. Tel.: 030-8132021.

FRANKFURT

TRINITY LUTHERAN CHURCH, *Nibelungenallee 54,* Sun. Worship 11 *a.m.* Tel. 069/95631066 or 512552.

GENEVA

EV. LUTHERAN CHURCH 20 rue Verdaine. Sunday worship 9:30. In German 11:00 in English. Tel: (022) 310.50.89.

JERUSALEM

LUTHERAN CHURCH of the Redeemer, Old City, Muristan Rd. English worship Sun. 9 a.m. All are welcome. Tel.: (02) 6281-049.

PARIS

AMERICAN CHURCH IN PARIS, Worship 11:00 a.m. 65, Quai d'Orsay, Paris 7. Bus 63 at door, Metro Alma-Marceau or Invalides.

VIENNA

VIENNA COMMUNITY CHURCH, Sunday worship in English 11:30 A.M., Sunday school, nursery, international, all denominations welcome. Dorotheergasse 16, Vienna 1.

ZURICH

INTERNATIONAL PROTESTANT CHURCH English speaking, worship service, Sunday School & Nursery, Sundays 11:30 a.m., Schanzengasse 25. Tel.: (01) 2625525.

METHODIST INTERNATIONAL CHURCHES

AMSTERDAM

12:30 every Sunday. Holland Methodist Church at Emmanuel Kerk, Der Kinderenstraat 58, Amsterdam West. Alfred Glasgow 072 823 15.

BERLIN

18:30 every Sunday. 22 Dec. - Lessons and Carols. 25 Dec. - Family Service at 10:30 a.m. Auferstehungskirche, Kaiser-Friedrich-Strasse 87, Berlin (Charlottenburg) 5 minutes from U-bahn halt Bismarckstrasse. Rev. John Allinson 030 301 5385.

DRESDEN

29 Dec. at 18:00, Wesley Covenant Service. English Language Fellowship in the Emmauskirche Emil, Kathanienaer. 17 (Naustadt). Will Clapp 0351 442 1413.

HAMBURG

22 Dec. at 11:15, Christmas Service. Church of the Cross, Röntgenstraße 1, Hamburg-Fuhlsbüttel, Rosalyn Kaufmann 040 603 2705.

MILAN

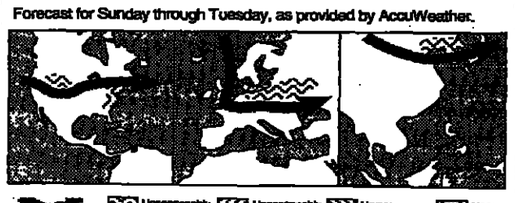
11:45 every Sunday, 24 Dec. Candlelight Service 18:00. Chiesa Evangelica Methodista, via P. Lambertenghi 26. Rev. Paul Perry 02 607 2631.

MUNICH

11:30 every Sunday, fellowship time 12:45 Munich Peace Church. Frauenlobstr. 5 (U-Bahn "Sendlinger Tor"): Tuesday, 24 *December, 6:30 p.m.:* Christmas Eve Service with Candlelighting Wednesday, 25 December, 11:30 a.m.: Family Christmas Service led by Music Group. *Information: 280 236 77 (office) or 820 80* 43 (Pastor James Dwyer).

WEATHER

Forecast for Sunday through Tuesday, as provided by AccuWeather.



Jetstream · Unseasonably Cold · Unseasonably Hot · Heavy Rain · Heavy Snow

North America

Another shot of arctic air will make its way from the Northwest Sunday to the northern Rockies and northern Plains Monday, then reaching the Great Lakes Tuesday. The mid-Atlantic, Southeast and southern New England will be mild through Monday. Seasonable across northern New England.

Europe

London and Amsterdam will turn colder early next week. Paris will stay rather mild through Monday followed by colder weather Tuesday. North-central and northeast Europe as well as western Russia will remain cold into next week. Unsettled across the central and southern two-thirds of the continent.

Asia

A pocket of cold air will move from Beijing and Seoul Sunday to Japan Monday. Cold air will also affect Beijing and Seoul Tuesday, while Japan moderates. Unsettled over Japan Sunday and Monday. Mainly dry and seasonable in Hong Kong, while Singapore will have a thunderstorm each day.

Europe

	Today High	Today Low/W	Tomorrow High	Tomorrow Low/W
	C/F	C/F	C/F	C/F
Algarve	17/62	11/52 r	16/61	8/46 sh
Amsterdam	3/35	-2/29 s	5/41	0/32 s
Ankara	11/52	2/35 pc	5/41	-2/28 c
Athens	17/62	11/52 pc	17/62	13/55 pc
Barcelona	16/61	11/52 c	17/62	9/48 sh
Belgrade	8/46	5/41 sh	3/37	2/35 c
Berlin	-3/27	-7/20 s	-8/22	-9/15 sf
Brussels	3/37	-1/31 pc	7/44	6/43 r
Budapest	4/39	1/34 sh	3/37	-1/31 pc
Copenhagen	-1/31	-2/29 c	0/32	-7/20 c
Costa Del Sol	19/66	15/59 r	17/62	10/50 c
Dublin	8/43	2/35 pc	9/48	6/43 r
Edinburgh	3/37	-2/29 pc	6/43	3/26 pc
Florence	12/53	8/46 sh	14/57	10/50 c
Frankfurt	3/37	-3/29 s	4/39	2/35 s
Geneva	8/46	7/44 sn	11/52	6/43 sh
Helsinki	-5/24	-12/11 sn	-11/13	-18/0 c
Istanbul	13/55	6/46 r	11/52	5/41 sh
Las Palmas	22/71	17/62 pc	18/64	14/57 pc
Lisbon	14/57	9/48 sh	13/55	6/43 c
London	6/43	1/34 pc	4/39	0/32 c
Madrid	12/53	8/46 r	16/61	6/46 sh
Mallorca	15/59	13/55 c	15/61	11/52 sh
Milan	8/46	6/43 sn	10/50	6/43 c
Moscow	-11/13	-13/9 sn	-12/11	-18/0 c
Munich	2/35	-3/27 sl	6/43	1/34 c
Nice	14/57	12/53 sh	18/64	12/53 c
Oslo	-6/22	-9/16 c	-3/27	-10/15 pc
Paris	9/48	5/41 c	5/41	2/35 c
Prague	-4/25	-11/13 pc	-1/31	-2/29 c
Reykjavik	2/35	0/32 c	6/43	5/41 pc
Rome	16/61	10/50 c	17/62	10/50 pc
St Petersburg	-8/18	-11/13 sl	-9/16	-18/0 sn
Stockholm	-7/20	-8/18 c	-7/20	-14/7 c
Strasbourg	5/41	1/34 c	8/46	5/41 sh
Tallinn	-5/24	-12/11 sn	-11/13	-17/2 c
Venice	8/46	4/39 c	8/46	7/44 c
Vienna	1/34	-7/20 c	-4/25	-8/22 pc
Warsaw	-5/22	-9/16 pc	-5/22	-8/16 sl
Zurich	7/44	5/41 c	8/46	6/43 sh

Middle East

Abu Dhabi	25/77	14/57 s	28/79	14/57 s
Beirut	19/66	13/55 pc	19/66	12/53 pc
Cairo	22/71	11/52 s	23/73	11/52 c
Damascus	13/55	4/39 s	16/61	4/39 s
Jerusalem	13/55	4/39 s	15/59	6/43 s
Luxor	25/77	5/41 s	25/77	7/44 s
Riyadh	23/73	10/50 s	23/73	10/50 c

North America

	Today High	Today Low/W	Tomorrow High	Tomorrow Low/W
	C/F	C/F	C/F	C/F
Anchorage	-8/18	-17/2 s	-8/16	-18/4 pc
Atlanta	6/46	-1/31 s	12/53	6/43 pc
Boston	0/32	-4/25 s	4/39	0/32 pc
Chicago	1/34	-5/24 c	1/34	-3/27 sn
Dallas	18/64	7/44 s	19/66	7/44 pc
Denver	7/44	-7/20 pc	3/37	-10/15 pc
Detroit	-2/29	-8/22 sf	3/37	-1/31 c
Honolulu	24/75	19/66 r	27/80	19/66 pc
Houston	19/66	12/53 s	20/68	12/53 pc
Los Angeles	21/70	9/48 pc	20/68	7/44 pc
Miami	22/71	16/61 sh	24/75	18/64 pc
Minneapolis	-4/25	-12/11 c	-4/25	-12/11 sn
Montreal	-7/20	-9/16 pc	-2/29	-9/16 pc
Nashville	24/75	17/62 t	26/79	18/64 pc
New York	0/32	-3/27 c	4/39	1/34 pc
Orlando	18/64	9/48 pc	23/73	13/55 pc
Phoenix	21/70	8/46 s	18/62	8/46 s
San Fran.	13/53	7/44 sh	13/55	7/44 sh
Seattle	6/43	1/34 r	6/43	0/32 sn
Toronto	-3/27	-4/25 c	2/35	-3/27 c
Vancouver	2/35	0/32 r	1/34	-4/22 sn
Washington	1/34	-3/27 s	7/44	1/34 pc

Asia

	Today High	Today Low/W	Tomorrow High	Tomorrow Low/W
	C/F	C/F	C/F	C/F
Bali	33/91	22/71 pc	33/91	22/71 pc
Bangkok	31/88	23/73 pc	29/79	20/68 c
Beijing	8/46	-2/29 s	2/35	-4/25 s
Bombay	31/88	16/61 s	31/88	18/64 s
Calcutta	24/75	11/52 s	24/75	13/55 s
Chiang Mai	29/84	19/66 pc	27/80	18/64 c
Colombo	29/84	22/71 pc	27/80	22/71 c
Hanoi	23/73	17/62 s	22/71	15/59 pc
Ho Chi Minh	30/86	24/75 t	29/84	23/73 r
Hong Kong	21/70	15/59 s	19/66	13/55 pc
Islamabad	22/71	3/37 c	23/73	4/39 r
Jakarta	30/86	23/73 pc	29/84	24/75 pc
Karachi	31/88	12/53 s	29/84	13/55 s
K. Lumpur	30/86	23/77 t	29/84	24/75 t
K. Kinabalu	28/82	24/75 pc	28/82	23/73 pc
Manila	28/82	21/70 c	27/80	21/70 t
New Delhi	22/71	8/43 pc	25/77	7/44 s
Phnom Penh	28/82	22/71 sh	29/82	23/73 sh
Pusan	31/88	23/73 pc	28/79	20/68 c
Rangoon	30/86	21/70 pc	29/79	18/68 s
Seoul	7/44	-1/31 pc	2/35	-11/13 pc
Shanghai	13/55	3/37 s	11/52	0/32 s
Singapore	31/88	24/75 t	28/82	24/75 pc
Taipei	18/64	14/57 pc	18/64	13/55 s
Tokyo	11/52	3/37 pc	11/52	4/39 s
Vientiane	23/73	18/61 s	21/70	14/57 pc

Africa

Algiers	24/75	12/53 s	26/79	13/55 s
Cape Town	20/68	9/48 pc	22/71	13/55 s
Casablanca	18/64	13/55 r	16/61	8/46 c
Harare	29/84	8/46 s	28/82	11/52 s
Lagos	31/88	22/71 s	30/86	23/73 pc
Nairobi	29/84	12/53 s	28/82	14/57 s
Tunis	23/73	13/55 s	26/79	16/61 s

Latin America

Buenos Aires	29/84	23/73 pc	25/82	18/64 pc
Caracas	29/84	20/68 pc	30/86	23/73 pc
Lima	24/75	18/64 c	24/75	18/64 pc
Mexico City	18/64	4/39 pc	19/66	7/44 pc
Rio de Janeiro	34/93	24/75 pc	33/84	23/73 pc
Santiago	30/86	10/50 s	31/88	13/55 s

Oceania

Auckland	16/61	9/48 pc	17/62	13/55 pc
Sydney	24/75	17/62 s	27/80	22/71 s

Legend: s-sunny, pc-partly cloudy, c-cloudy, sh-showers, t-thunderstorms, r-rain, sf-snow flurries, sn-snow, Ice, W-Weather. All maps, forecasts and data provided by AccuWeather, Inc. © 1996

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Robert Giroux/Reuters

FBI Leak Sought

Louis Freeh, the FBI chief, above, said the official who named the security guard Richard Jewell as a suspect in the Olympics bombing should be prosecuted.

Spycatchers Reeled In Alleged FBI Turncoat for 16 Months

By Tim Weiner
New York Times Service

WASHINGTON — Last Dec. 28 a recently retired Russian diplomat sat surrounded by law books in Room 228 of the New York Public Library, waiting to meet an agent of the FBI.

The retired diplomat was secretly working for the FBI. The FBI says its agent was secretly working for Moscow.

The agent, Earl Edwin Pitts, wandered around the library for 30 minutes, according to the bureau, nervously looking without success for the retired diplomat, hoping for a belated Christmas bonus from the Russian spy service.

Mr. Pitts's memory had failed him, the bureau says. He had been told to meet the diplomat at "the same place" in the library where he had last had a rendezvous with a Russian, more than eight years before.

The diplomat was in the law section; Mr. Pitts was wandering around in public affairs.

The next day, after a hurried telephone call, the bureau says, Mr. Pitts met the retired diplomat, who was wearing a concealed tape recorder, at Washington's National Airport. Mr. Pitts apologized for his confusion, the bureau says, exchanged holiday greetings with his old contact and walked with him to a parked car, where an FBI agent posing as a Russian spy handed him $20,000.

Mr. Pitts, by now a supervisor for the FBI, was arrested Wednesday at the bureau's training academy in Quantico, Virginia, accused of giving classified information to Moscow from 1987 to 1992 in exchange for payments totaling $224,000.

His court-appointed lawyer, Nina Ginsberg, says he will plead not guilty to an indictment handed up Thursday by a federal grand jury. He has been held without bail since his arrest.

A 64-page FBI affidavit unsealed after his arrest depicts Mr. Pitts's secret life, beginning nine years ago with a series of clandestine meetings with Soviet agents. For seven years the bureau was unaware that Mr. Pitts was anything but what he appeared to be: a trusted lawyer of middling talents, married to an FBI clerk, mired in the middle of the federal bureaucracy.

Then about two years ago the Russian diplomat started working for U.S. intelligence. In 1987, he told the agency, he read a strange letter at his desk at the Soviet Mission to the United Nations in New York. The letter said the diplomat was under surveillance by the FBI, which had falsely concluded that he was a spy.

The author appeared to be an FBI agent offering to betray his country for money. The letter was the purest gold to the Russians' chief spy within the mission, Alexander Karpov: The number of FBI agents who had ever offered their services to Soviet intelligence could be counted on one finger.

Mr. Karpov quickly set up an assignation at the New York Public Library. There, according to the affidavit, Mr. Pitts began a long and often clumsy dance, first with Moscow's spies, later with U.S. spycatchers.

The affidavit says he kept trying to sell secrets, despite his wife's suspicions that he was a traitor, his discovery of a surveillance camera in his office ceiling and his inability to steal any information of great value. It describes him as a dedicated but deeply nervous spy.

Mr. Pitts was 33 years old when he was posted to the FBI's New York office on Jan. 3, 1987. He was immediately assigned to investigations into Soviet intelligence officers posing as diplomats at the United Nations. The bureau kept a directory of their targets that was known as the Soviet administrative list.

The affidavit says Mr. Pitts sold this list to Mr. Karpov, along with information about a spy inside the ranks of the Soviet intelligence service and other secrets.

But a senior law-enforcement official said Mr. Pitts's access to the deepest secrets was limited.

"This was bad and horrendous," the official said, "but it never compromised any major investigations."

By 1992 the FBI suspected there had been a security lapse in New York in the late 1980s. Then in walked the retired Russian diplomat.

His story set off a 16-month undercover FBI effort to trap Mr. Pitts, whom the affidavit depicts as so greedy that he swallowed nearly every lure cast at him during the investigation.

In August 1995, the Russian visited Mr. Pitts at his home and introduced him to an undercover FBI agent, who was posing as a Russian intelligence officer, according to the affidavit. It says the undercover officer gave Mr. Pitts 150 $100 bills and instructions for dropping off secrets at a clandestine location.

"I'll do what I can," Mr. Pitts said, the affidavit says.

The affidavit adds that Mr. Pitts spent the next 16 months stuffing cash into his office ceiling (where he had found the camera), copying secret documents, typing classified information into his personal computer, stealing manuals and instructional videos from the FBI and secretly making 22 deliveries of the stolen material.

POLITICAL NOTES

Clinton Plans to Rescind Cuts

WASHINGTON — The Clinton administration has prepared a budget that would restore at least $13 billion of the funds cut from welfare programs by the Republican-led Congress, setting up the prospect of a major confrontation that could strain efforts at cooperation between the White House and Capitol Hill.

President Bill Clinton has reviewed various budget proposals with senior officials, although final decisions have not yet been made. But administration sources said he was certain to go forward with initiatives to soften the impact of recently enacted welfare legislation on legal immigrants, children and the unemployed.

Officials were debating different options for meeting that goal, which Mr. Clinton first committed to when he signed the bill in August. *(WP)*

Voting, New Orleans-Style

NEW ORLEANS — As usual, Election Day here in the Big Easy was not a showcase for democracy. Mary Henderson, who would have been an 87-year-old registered Democrat if she had not died four years ago, found a way to vote. Her signature — courtesy of someone who cared enough to forge her name — appears on the Nov. 5 voting list.

A living voter who fears retaliation if his name is disclosed said he was paid $150 to vote three times: "A man approached and asked me if I voted yet and I told him no and he asked me if I would like to make some extra cash and I told him yes and he took me to three polling stations."

In an interview taped by Republican investigators, the man said he voted, as instructed, for pro-gambling ballot measures, as well as for Mary Landrieu, the Democrat who won a seat in the U.S. Senate. Her margin of victory — 5,788 votes out of 1.7 million cast — was the closest of any Senate race in the nation this year and the closest in Louisiana history.

These and other curiosities of Louisiana politics are included in the 15 volumes of allegations that the losing Republican candidate, Louis Jenkins, delivered in Washington this week to John Warner, the Virginia Republican who is chairman of the Senate rules committee. The evidence is the heart of Mr. Jenkins's uphill quest to persuade the Senate to dispatch investigators to New Orleans and, he hopes, unearth evidence to nullify Ms. Landrieu's victory. *(WP)*

Quote/Unquote

Harold M. Ickes, departing as President Clinton's deputy chief of staff: "Washington is basically about power, access and influence. If you have power, you have it. If you don't, you don't. I have no illusions." *(NYT)*

Reuters

Carl Sagan, the leading American science popularizer.

Carl Sagan, Astronomer, Dies at 62

By William Dicke
New York Times Service

Carl Sagan, 62, an astronomer who became one of the best-known scientists in the United States by enthusiastically conveying the wonders of the universe to millions of people on television and in books, died Friday at the Fred Hutchinson Cancer Research Center in Seattle.

Mr. Sagan died from pneumonia after a two-year battle with a rare blood disorder that led to cancer, said Susan Edmonds, spokeswoman for the center, where he had a bone-marrow transplant in April 1995 and occasionally returned for treatment.

Mr. Sagan was professor of astronomy and space sciences and director of the Laboratory for Planetary Studies at Cornell University in Ithaca, New York.

Building upon a foundation of respected scientific research, he became a best-selling and Pulitzer Prize-winning author and a telegenic popularizer of scientific research and space exploration.

In 1994, when he was given the National Academy of Sciences' highest honor, the Public Welfare Medal, the academy's president, Bruce Albert, said, "In the public view, Carl Sagan's name may be associated more with science than that of any other living U.S. scientist." He said Mr. Sagan "has played a critical role in promoting the understanding of science worldwide."

A persistent theme in his work was one practically guaranteed to capture public interest: the possibility that life exists elsewhere in the universe. He became an expert on the subject at a time when it was considered highly speculative, and prodded other scientists to consider it seriously. Civilized life must be common in the universe, he said, because stars are so abundant and the Sun is a fairly typical star.

Mr. Sagan was probably best known as the host of "Cosmos," a 13-part series on public television in 1980 that explored everything from the world of the atom to the vastness of the universe, and showed him looking awestruck as he contemplated the heavens. With an audience of 400 million people in 60 countries, it was considered the most widely viewed public television series in history.

Mr. Sagan was also familiar to television viewers from his appearances on "The Tonight Show" with Johnny Carson, who was known to don a black wig and perform a Sagan impersonation.

In an interview in 1977, Mr. Sagan said he turned down several hundred requests to give lectures every year but always tried to accept invitations to appear on "The Tonight Show."

"The show has an audience of 10 million people," he said. "That's an awful lot of people, and those aren't people who subscribe to Scientific American."

Jean-Pierre Levy, 85, French Resistance Leader

PARIS (NYT) — Jean-Pierre Levy, 85, a leader of the French Resistance against the Nazis during World War II, died in Paris on Dec. 16 after what was described by friends as a brief illness.

Mr. Levy, a reserved man who did not like to talk about his exploits during the war, created and led the Franc-Tireur (Irregular) organization in southern France, one of the pillars of the fight against the German occupation. As early as 1941, he edited a clandestine journal called "Franc-Tireur" and was active in the recruitment of resistance fighters.

Clinton Fills Final 4 Cabinet Appointments

Compiled by Our Staff From Dispatches

WASHINGTON — President Bill Clinton completed his second-term cabinet lineup Friday by nominating his transportation secretary, Federico Pena, to take over as energy secretary and a White House aide, Alexis Herman, to become labor secretary.

Mr. Clinton also nominated the federal highway administrator, Rodney Slater, as transportation secretary and Andrew Cuomo, eldest son of the former governor of New York, Mario Cuomo, as secretary of the Department of Housing and Urban Development. Mr. Cuomo had been an assistant HUD secretary.

Mr. Clinton also named his boyhood friend and former White House chief of staff, Thomas McLarty, as a special envoy to Latin America, working out of the White House.

The nominations completed Mr. Clinton's cabinet appointments for his second term with an emphasis on diversity. Mr. Slater and Ms. Herman are black. The selection of Mr. Pena, a surprise 11th-hour cabinet addition, was designed in part to appease powerful Hispanic political interests. And it reflects how far Mr. Clinton would go to appoint a cabinet that, as he said in 1992, "looks like America."

Mr. Clinton applauded the departing cabinet members, Labor Secretary Robert Reich, Housing Secretary Henry Cisneros and Energy Secretary Hazel O'Leary.

In another nod to Hispanics, Mr. Clinton named Aida Alvarez, director of federal housing enterprise oversight at HUD, to replace Phil Lader, director of the Small Business Administration.

Mr. Clinton already has nominated another Hispanic, Representative Bill Richardson, Democrat of New Mexico, as the ambassador to the United Nations. Mr. Richardson and Ms. Alvarez will not be in the traditional cabinet, but their posts were made cabinet-level by presidential fiat.

Mr. Clinton also nominated:

• Janet Yellen, a member of the Federal Reserve Board, to succeed Joseph Stiglitz as chairman of the Council of Economic Advisers.

• Bruce Reed, a centrist Clinton aide, to be domestic policy adviser, succeeding Carol Rasco, who is moving to the Education Department.

Mr. Clinton also formally extended the terms of Education Secretary Richard Riley, Agriculture Secretary Dan Glickman, Veterans Affairs Secretary Jesse Brown and Interior Secretary Bruce Babbitt. *(Reuters, AP)*

Away From Politics

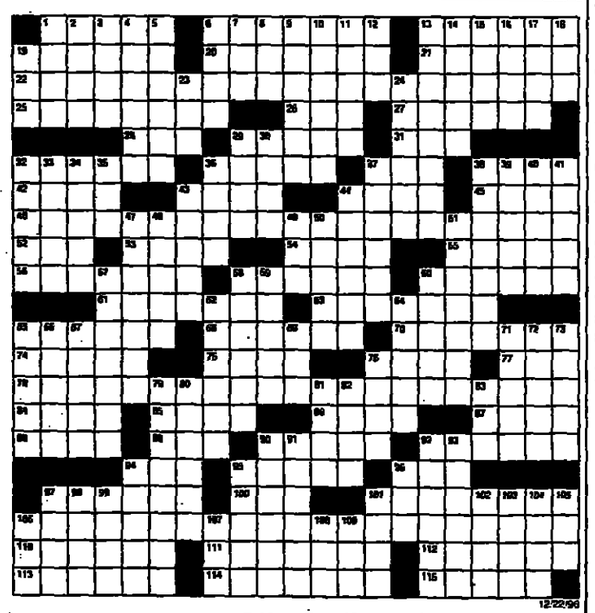
• **New York City's crime rate** has plunged for the third straight year, dropping 16 percent since 1995, preliminary police records show. The city is on track to have fewer than 1,000 murders in a year, which would be the lowest total since 1968; 937 had been reported by Dec. 15. The decline in major felonies — murder, rape, robbery, assault, burglary, grand larceny and auto theft — means that New York could end the year with the sharpest drop in such crimes since the end of Prohibition. *(NYT)*

• **A judge in Helena, Montana,** has refused to halt a government plan to thin out the growing bison herd in Yellowstone National Park. In rejecting a suit filed by five conservation groups, U.S. District Judge Charles Lovell said that the program would help the National Park Service control the herd and get rid of diseased animals. *(AP)*

• **A page was cut out of the engine** log for the freighter that plowed into a crowded riverside mall in New Orleans last week, and lawyers are concerned that other evidence which is needed to prove the ship was not seaworthy will also disappear. The missing page covered the two days before the accident. *(AP)*

• **An 82-year-old Bronx man** who was left alone with his grandson's three pit bulls was killed by one or all of the dogs, police said. *(NYT)*

TAKING OFF FOR THE HOLIDAYS By Frances Hansen



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ACROSS
1 Madrid's Paseo del ——
6 Swagger
13 Modern dance giant
19 Reading on the Richter scale
20 Declaimed, as "A Visit From St. Nicholas"
21 Barrio resident
22 Start of a verse
25 Outdid
26 Introduction to conservatism
27 Not the lowest prices
28 Social reformer Dorothea
29 Word with guard or chard
31 Take steps
32 Order to the "Ship of State"
36 Like Atalanta
37 Its point is to make holes
38 Swarthy
42 Yearn
43 Zoom
44 Matty or Moises
45 Chief Theban deity
46 Part 2 of the verse
52 Writer Samha Rama ——
53 Plains Indian
54 Slickers
55 Word from a fencer
56 Seat of an empire?
58 1960 Oscar winner
60 Theodor —— (Dr. Seuss)
61 Name that means "heavenly"
63 Wild asses
65 "Passages" writer Gail
68 Most like the Magi
70 Joining forces
74 Thomas of TV
75 Tolkien tree-men
76 It has a Minor part
77 PBS benefactor
78 Part 3 of the verse
84 Cobbler's form
85 Rival of Scipio
86 Hecuba's home
87 Mariposa lily
88 W.W. II landing craft
89 Printers' widths
90 Letter opener?
92 Famous Christian
94 Bee: Prefix
95 On the sordid side
96 From — Z
97 Rubble
100 Socks, e.g.
101 D'Oyly Carte offering
106 End of the verse
110 New Jersey's state tree
111 Engine fluid
112 She played Anastasia in "Anastasia"
113 Begets
114 Popular Mouseketeer
115 Chart holder

DOWN
1 Shore (up)
2 Zebras
3 Last of a Latin trio
4 Fish also called mahimahi
5 Source
6 Thin nail
7 Padre, for short
8 It's not returnable
9 Barbarino on "Welcome Back, Kotter"
10 Certify
11 Deejay's disks
12 Harem room
13 Group in robes
14 "Nick of Time" Grammy winner
15 Girl lend-in
16 Sound setup
17 Indigo source
18 Epigram
19 Nashville sch.
23 Put the whammy on
24 Make use of
29 Pope, for example
30 "The stockings —— hung . . ."
32 Gerald's predecessor
33 Shout for
34 Ideas, opinions, etc.
35 Sign of summer
36 Liver, in Le Havre
37 Subject of an 1867 sale
38 67-Down, for one
39 Cherubs
40 1950 Max Ophüls film "La ——"
41 Prepare to propose
43 Pit
44 Sign of stress?
47 By hook or by crook
48 Po land
49 Muldaur's "—— Woman"
50 They have edible shells
51 Women advisers
57 Cousins of margays
58 Strung ale
59 Genoese creation
60 Bottled spirits?
62 Dieter's bane
64 Not reserved
65 Slight
66 Laugh track sounds
67 Artist Max
69 N.Y.C. zone
71 Enlargement, maybe
72 Mont Blanc covering
73 Burt Reynolds flick
76 Energy source
79 They produce chips off the old block
80 Leave no trace
81 News squib
82 Carhop's burden
83 O.T. book
90 "'Tis the —— to be jolly"
91 Be a snitch
92 Glenda Jackson biopic
93 Name in 1993 headlines
94 Indo-European
95 Offshoot
96 Galoot
97 Like still waters, maybe
98 "Das Rheingold" earth goddess
99 Knitted item
101 Bone: Prefix
102 Work units
103 King Hiram's home
104 Drudgery
105 What's more
106 "—— Winterbourne"
107 Elvis's label
108 Welcome giver
109 Sugar lover

Solution to Puzzle of Dec. 14-15

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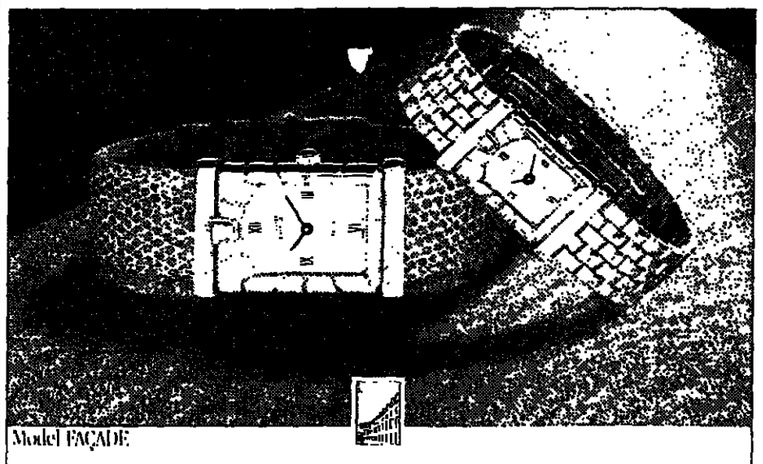
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Fear of 'Domino Effect' in Vietnam

An Illness Imperils Power Balance

By Seth Mydans
New York Times Service

BANGKOK — The prospect of a domino effect is once again troubling Vietnam as the severe illness of one of the nation's three aging leaders is forcing it to face the long-postponed issue of generational change at the top.

For more than a month, President Le Duc Anh, 76, has been hospitalized because of the effects of a stroke, and most political analysts say they doubt he will be able to return to his duties.

In theory, he has been temporarily replaced by Vice President Nguyen Thi Binh, who gained prominence in the 1970s as a negotiator in the Paris peace talks. But she is not a member of the Communist Party Central Committee and is not in line to succeed him.

In an interview this week with Reuters in Hanoi, Prime Minister Vo Van Kiet, 74, broke an official reticence over the succession question.

"In the near future," he said, "if, because of our president's health condition, he is unable to continue his duties, then we will have a new president because the country cannot exist without a president as head of that country."

The succession question is complicated because General Anh, Mr. Kiet and the Communist Party general secretary, Do Muoi, 80, make up a ruling group that is a painstakingly balanced to represent the country's three regions — north, south and center — and its varying ideological constituencies. If one domino falls — as the United States once feared about the Communist threat to Asian nations — others may fall, too.

At the Communist Party congress in June and July, which followed months of internal debate, the leadership sidestepped the succession issue, leaving the three men in place. Speaking informally at the conference, party officials said the three were expected to be replaced in the coming months, before their terms of office are completed. But no timetable was given for those changes and it was clear that the struggle over succession had not been resolved.

"There are two sets of dominos," said Carlyle Thayer, a Vietnam analyst who heads the School of Politics at the Australian Defense Force Academy. "One is the issue of age. They have got all these deaths and illnesses. That is going to lead people to say, 'We can't keep people on in their 70s and 80s.'"

"The other is the north-south-center balance and the balance between the ideological conservatives represented by Anh, the progressive reformers represented by Kiet, and Do Muoi, who has been called the Confucian referee in the middle," he added.

To keep the structure in place, General Anh would have to be replaced by a conservative military man from central Vietnam who is also one of the 18 members of the ruling Politburo.

Hoang Dinh Nam/Agence France-Presse

President Ahn, at left in healthier times, and Mr. Muoi at Ho Chi Minh's tomb.

China Dismisses U.K. Threats Over Council

The Associated Press

HONG KONG — Defying an angry British government and egg-throwing demonstrators, China pushed ahead Friday with plans to set up a provisional legislature Saturday and abolish the British colony's elected assembly.

As officials gathered in the neighboring Chinese city of Shenzhen to select the temporary body, Foreign Secretary Malcolm Rifkind of Britain vowed to mobilize world opinion against Beijing's move and invited it to settle the matter in the International Court of Justice.

"There is no justification for China to replace a legislature elected openly and fairly by more than 1 million Hong Kong people," Mr. Rifkind said from London. "China should be prepared to trust Hong Kong people with the measure of democracy we have introduced."

He said Britain was urging the United States, its European Union partners and others to tell China of "the concern which their plans for the legislature have aroused around the world." He also said London would double, to twice a year, its reports to the United Nations on the human rights situation in Hong Kong.

The provisional legislature is to be chosen by a Beijing-organized Selection Committee of 400 people, mostly business leaders and professionals.

Of the 130 candidates, 34 are members of the existing legislature and 26 are candidates who lost in September 1995 voting, which produced Hong Kong's first fully elected legislature.

The Democratic Party, Hong Kong's largest, is boycotting the new legislature and has expelled the one member who declared his candidacy.

Small groups of protesters demonstrated outside Beijing's diplomatic mission in Hong Kong on Friday and threw eggs at buses carrying committee members to Shenzhen.

"Tomorrow will be a very black, dark day for Hong Kong," said Emily Lau, a legislator. The new legislature, she added, "has no legitimacy, no credibility — they don't represent the Hong Kong people."

Tung Chee-hwa, who will be Hong Kong's chief executive when Beijing resumes control over the British colony July 1, has said that the provisional body will exist for just one year and that a new one will be elected "as soon as possible, probably during the first half of 1998."

BRIEFLY ASIA

U.S. Envoy Visits Rangoon Foe

RANGOON — A U.S. diplomat was allowed through roadblocks Friday to visit Daw Aung San Suu Kyi at her home in an apparent easing of restrictions on the Burmese opposition leader.

But it remained unclear when Daw Aung San Suu Kyi would again be able to come and go freely from her compound, where she spent six years under house arrest until she was released in 1995.

The 20-minute visit by Douglas Rasmussen, the acting U.S. chargé d'affaires, was the first she has received from a diplomat since the latest confinement began. *(AP)*

Blackout Disrupts North India

NEW DELHI — A massive power failure Friday halted trains, affected airports and disrupted city life across northern India, officials said.

New Delhi, with a population of 10 million, was virtually without electricity all day after the regional power grid overloaded at 6:30 A.M., the officials said. State-owned Indian railways canceled 70 trains to and from the capital, while the Indira Gandhi International Airport said it was operating on emergency power supplies.

The power failure, which lasted more than 12 hours, affected many of the 230 million people who live in eight northern Indian states. It was the second blackout this month in the populous region. *(AFP)*

Sri Lanka to Rebuild Colombo

COLOMBO — Sri Lanka on Friday unveiled a $400 million plan to rebuild the heart of the capital, Colombo, which was devastated by a Tamil Tiger suicide bomb attack in January.

The plan will complement the expansion of the port, south Asia's transshipment hub, officials of the Urban Development Authority told a news conference.

"Historically, this is how the city was built — around the port," said the authority's deputy director-general, Lakshman Jayasekera. "We plan to develop Colombo accordingly." *(Reuters)*

Congress Party Postpones Vote

NEW DELHI — India's Congress (I) Party on Friday deferred an election to choose a new chief of its parliamentary wing.

The Press Trust of India said that a vote scheduled for Monday had been postponed to Jan. 3. One contender for the post, Sharad Pawar, said the election was delayed because deputies from India's Christian-dominated northeast have said they could come to New Delhi for the vote only after Christmas.

The election is being held to choose a successor to former Prime Minister P.V. Narasimha Rao, who was forced to leave the parliamentary post. *(AFP)*

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Yeltsin Plans to Return To His Desk on Monday

President, in TV Speech, Seems Tired

By David Hoffman
Washington Post Service

MOSCOW — President Boris Yeltsin, in his first televised appearance since undergoing heart surgery six weeks ago, pledged Friday to return to the Kremlin on Monday and tackle the festering problems of Russia's flagging social safety net, deteriorating army and collapsing tax base.

In a short question-and-answer session taped by the Kremlin press service and nationally broadcast Friday night, Mr. Yeltsin seemed tired, stilted and short of breath. The Kremlin tape also appeared to be heavily edited, jerking back and forth between two separate camera angles.

Mr. Yeltsin underwent a quintuple coronary artery bypass operation on Nov. 5 and has been recovering out of sight since then. He spoke Friday from a rustic hunting lodge outside of Moscow.

Mr. Yeltsin's absence has created a sense of drift in the Russian leadership, although his heart operation dampened the heated political jockeying among his would-be successors. It is still not clear to what extent Mr. Yeltsin will be prepared to return to active leadership early next year. Except for his vigorous re-election campaign, Mr. Yeltsin has been ill or hospitalized, and out of the limelight, for most of the last 18 months.

"The country needs an active and energetic president, especially now," Mr. Yeltsin said, sitting in a large armchair, wearing a patterned cardigan sweater.

"The doctors have done everything that depended on them," he said, "and even more than that, so, now it is up to the president to do his job. There is no time for warming up. Nor is it in my character to warm up. If I'm to work, I will put my heart into it."

Mr. Yeltsin said he would return to work at Monday morning. His spokesman, Sergei Yastrzhembsky, said the doctors had told Mr. Yeltsin not to rush.

"The doctors recommend for a certain time a light regime, a staged, gentle resumption of work in order not to overload the president," he said. "One should not expect that the president's return to work will immediately herald weighty decisions affecting the country's fate."

In his televised remarks, Mr. Yeltsin touched on several social, economic and military problems that he had promised to resolve many times previously but which have only deteriorated.

For example, Mr. Yeltsin had promised in the spring to wipe out the crippling wage and pension arrears. Millions of workers and pensioners are paid months late. His promise was not fulfilled. On Friday, he declared again, "No state that cannot pay its people for the work they have done is — simply, this is intolerable."

Mr. Yeltsin said he would attend, for the first time, a meeting of an emergency commission to boost tax collection, created when revenues collapsed before and after Mr. Yeltsin's campaign. The tax scofflaws "will get no leniency from that commission," he vowed, adding that industrial managers who cannot pay should "get out" of their jobs.

But the tax revenue shortfall is not only the fault of managers: Much of it is also a result of dozens of costly tax exemptions and breaks that the government handed out in the heat of Mr. Yeltsin's re-election drive.

Mr. Yeltsin also pledged once again to move ahead on military reform, about which virtually nothing has been done in five years, partly because of resistance from the defense establishment.

Alexander Golz, a veteran military correspondent, wrote Friday in The Moscow Times that at a recent meeting of Russia's defense council, the army set out "the impossible task" of preparing "for global war."

At the same time, Mr. Golz said, Russia's military readiness has badly eroded. If there were 1 million men actively engaged in training and military duties in December 1991, he said, it was reported at the meeting that fewer than 250,000 are engaged in training and military duties this year.

Mr. Yeltsin, as in the past, blamed the country's problems on subordinates.

"The point is that the post-election euphoria and may absence have allowed some of the executives to relax," he said, without naming anyone.

Nonetheless, he added, "during my illness life in the country remained in the normal channel."

Vladimir Vladstin/Agence France-Presse

A Russian family watching Mr. Yeltsin address the nation Friday, six weeks after undergoing heart surgery.

Chechens Held In Slaying of 6 in Hospital

Compiled by Our Staff From Dispatches

GROZNY, Russia — The authorities in Chechnya have arrested several suspects in connection with the murder Tuesday of six Red Cross workers, the republic's security minister, Abu Movsayev, said Friday.

In an interview broadcast on Chechen television, Mr. Movsayev said he could not identify the suspects, who were all Chechens, or explain the circumstances of their arrest, because the investigation was continuing.

But the Chechen national security department said later that its inquiries "point to the Russian secret services, who are fulfilling the orders of those who want war."

It said three arrested suspects were "directly involved" in the killing of the Red Cross workers, who were shot in their sleep in a hospital compound in Novy Atagi, 20 kilometers (12 miles) south of Grozny.

Five women — two Norwegians, a Spaniard, a Canadian and a New Zealander — were killed, along with a Dutchman.

Mr. Movsayev said there was strong evidence that it was a political murder, and there were grounds to expect further "terrorist acts" aimed at destabilizing Chechnya before presidential and parliamentary elections set for Jan. 27.

"We just have to find out who ordered this killing," Mr. Movsayev said. "It was carried out for political reasons, with the aim of torpedoing the elections and frightening off the foreign observers."

In Geneva, thousands of people marched in silent procession through the streets Friday to protest the killings. At the headquarters of the International Committee of the Red Cross on a hill on the outskirts of the city, the marchers placed flowers at a flagpole carrying the humanitarian organization's white flag with red cross at half-staff. *(AFP, AP)*

Rwanda's Self-Imposed Apartheid

By Stephen Buckley
Washington Post Service

GIKOMERO, Rwanda — This community of 35,000 once looked like most in Rwanda. Hutu and Tutsi, the country's main ethnic groups, lived side by side. They intermarried. Their children were friends.

Then came 1994, when Hutu, who accounted for 85 percent of Rwanda's population, slaughtered at least 500,000 Tutsi throughout the country. Tutsi insurgents later seized control of the government, and 2 million Hutu fled to neighboring nations.

In the immediate aftermath of the upheaval, thousands of Tutsi in Gikomero no longer wanted to live among Hutu. They fashioned new neighborhoods of genocide survivors and limited their friendships almost entirely to other Tutsi.

Now those communities have solidified, and they are determined that will not change — despite the return of a million or more Hutu refugees from Zaire and Tanzania over the past month.

The blossoming of these ethnically homogenous communities has enormous implications for a country grappling with the problem of how to reconcile the two groups. Some critics charge that the Rwandan authorities, smothered by the overwhelming immediate needs of returning Hutu, have taken a nearsighted view of a potentially explosive issue.

"You can't separate housing issues from reconciliation," said John Keys, the International Rescue Committee's representative in Rwanda.

He added: "I don't think there's a conspiracy by the government, but the decisions made now will have real long-term implications for how people live together in this country."

Exclusively Tutsi communities have also been fostered by the return of an estimated 800,000 expatriate Tutsi who fled Rwanda nearly four decades ago but came home as the Hutu refugees flooded into Tanzania, Zaire and Burundi.

The government has found empty swaths of land for many of these returning Tutsi — known as '59ers after the year they fled Rwanda following the bloody overthrow of a centuries-old Tutsi monarchy — but many of them have taken over property abandoned by Hutu in 1994. In some communities, 20 percent of Hutu refugees who have returned in the last two months found their homes occupied.

Rwandan officials say that the return of the '59ers spawned single-tribe communities because the government had no place else to put them. The Tutsi communities "are not deliberate," said Christine Umutoni, deputy minister for rehabilitation and social integration. "We had to find large pieces of land that were available; we had to make sure that these people had access to housing."

'I feel sad about them. Many of them have bad hearts.'

But some relief agencies say they will not help build housing in these new communities out of concern that by making them permanent they could sow the seeds of future turmoil in this blood-soaked Central African country. Others worry that segregated communities could make it easier for ethnic extremists to carry out mass killings should tribal warfare flare again.

Single-group communities "do provide people with a sense of security, but they also make it easier to be targeted," said Denise Gordon, Rwanda representative for Africare, one of the first aid agencies here to start a building program for returning refugees.

Some UN officials and relief groups fear that Rwanda could follow the path of neighboring Burundi, which has an almost identical ethnic makeup. Burundi — where Tutsi-minority rule continued after the lapse of a Belgian mandate in 1962 — long ago splintered into segregated communities, fueling intertribal suspicions and fears that repeatedly have erupted into violence.

Despite tensions between Rwanda's Hutu and Tutsi, they rarely in the past segregated themselves into single-tribe communities. Indeed, the bloodletting of two years ago often found neighbors hacking or clubbing to death neighbors they had shared jokes and meals and church services with for years.

Gikomero, 15 kilometers (nine miles) northeast of the capital, Kigali, was no exception. No one recalls the community's precise ethnic makeup before 1994, but the two groups "lived here together almost as brother and sister," said Celestin Biziyremye, a social worker with the Barakabaho Foundation, which assists survivors of the massacres.

Today, residents of one neighborhood recall that they once lived next to or near Hutu here. And in that cluster of 14 houses — occupied by about 70 Tutsi — horror stories abound. There is the woman who saw her husband hacked to death as she hid in a nearby forest. There is the man who lost 200 members of his immediate and extended family to Hutu violence.

"We do not greet each other," said Daphrose Mukandekezi, 56, the woman who saw her Tutsi husband slain. "They do not look me in the eye. They cannot face me or talk to me."

Asked if she could share a neighborhood with Hutu, she said: "That would be a very tall order, very tall indeed."

Mrs. Mukandekezi, who also lost three sons in the slaughter, stared at the floor of her dark two-room shack. She is bitter. "These people killed and went to Zaire and received help," she said. "Now they are coming back, and they are still receiving help."

Her neighbor, Theogene Mbanda, the man who lost virtually everyone in his family, does not believe that "all Hutu are bad people." In fact, he said, a Hutu hid him for three weeks during the massacres. Nevertheless, he does not want to live near them. "I feel sad about them," Mr. Mbanda said. "Many of them have bad hearts."

BOOKS

HIS PROMISED LAND
The Autobiography of John P. Parker, Former Slave and Conductor on the Underground Railroad

Edited by Stuart Seely Sprague. 165 pages. $20. Norton.

Reviewed by
Jonathan Yardley

JOHN P. PARKER was born in Norfolk in 1827, a slave. He died 73 years later in Ohio, a free man and a figure of real consequence. As Stuart Seely Sprague writes in his preface to this edition of Parker's autobiography:

"In just two generations, the Parker family moved from slavery to the college-educated black middle class. John Parker's drive and spirit brought him out of servitude and gained him a position as a businessman in his community. His courage and generosity made him one of the small group of Americans, and even smaller group of African Americans, who helped pull other people out of slavery, even at the risk of their lives. At his death in 1900, he left a valuable legacy for both his family and his country."

There isn't a syllable of overstatement in that paragraph. John P. Parker was an extraordinary man: intelligent, ambitious, self-confident, courageous, generous and, it must certainly be added, angry. In the first sentence of this long-lost narrative he refers to his "eternal hatred of the institution in which I found myself when I was eight years old." He was the child of a white master and a black slave. Today's reader will find it most unfortunate that Parker conformed to 19th-century custom and assumed that his "brain" and "imagination" came from his white father, but Parker also says: "He gave me one more advantage: the power to hate."

Whatever the source of Parker's outrage, it was real and all-consuming, yet it seems never to have lapsed into mere racism. Once Parker made his determined escape from slavery — he bought his way to freedom, thanks to his own hard work and a white woman's kindness — and began to assist slaves making their own escapes by way of the Underground Railroad, his allies were mostly white. His admiration for them was genuine and so, apparently, was theirs for him. He seems to have been that true American rarity, a person who spent much of his life facing racial battles yet saw the world through color-blind eyes.

Parker's hatred of slavery was intractable, yet it was not without its complex and surprising aspects. "So far as my masters were concerned," he says, "most of my life as a slave was a pleasant one, so far as my bodily wants were concerned." The mental constraints of slavery rather than the physical ones were what gnawed at him. It is not surprising, therefore, that Parker had little patience with slaves who were reluctant or afraid to risk their lives for freedom; he was a natural aristocrat, a leader who simply could not understand the timidity of those less driven than he.

That he has been largely unknown all these years may be an injustice, but an explicable one; the manuscript of his memoir is difficult to read and has been filed away at Duke University for years. But all things have their season. Parker's autobiography has been rediscovered, scrupulously edited and published, and now he can be given his due.

Jonathan Yardley is on the staff of The Washington Post.

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Netanyahu Softens View On Statehood

Compiled by Our Staff From Dispatches

JERUSALEM — Prime Minister Benjamin Netanyahu would accept the creation of a Palestinian state, but with severe limits on its sovereignty, his top policy adviser said Friday.

The conciliatory comments by David Bar-Ilan came a day before President Bill Clinton's Mideast peace coordinator, Dennis Ross, was to return to the region to resume trying to broker an agreement on pulling Israeli troops out of the West Bank town of Hebron.

As a candidate for prime minister, Mr. Netanyahu said he would never grant the Palestinians more than limited autonomy.

Mr. Bar-Ilan said Friday that a Palestinian state next to Israel should not have unlimited sovereignty. "It would not have a large army, or any ability to make arms or to make pacts or alliances with radical regimes like Iran and Iraq," he said in an interview.

The issue of Palestinian statehood is critical, and the Arab perception that Israel's new government was unwilling to accept it is one of the main reasons that tensions have worsened recently.

On Thursday, saying he feared a renewal of terrorism if the peace effort did not advance, Secretary of State Warren Christopher urged Palestinians to respond to recent but as yet undisclosed Israeli concessions and quickly conclude a long-stalled agreement on a troop withdrawal from Hebron.

"The Israelis have made some moves, and it's time for the Palestinians to reciprocate," Mr. Christopher said, trying to balance U.S. criticism of an Israeli decision to restore large subsidies and tax concessions for settlements in the West Bank. *(AP), (NYT)*

Mati Stassi/Agence France-Presse

Michel Sabbah, the Roman Catholic patriarch of Jerusalem, delivering a strongly worded Christmas message at a press conference Friday, warning the Israeli government that it was following "a path to violence."

Israel Dims Bethlehem's Holiday

The Associated Press

JERUSALEM — A 40-foot-high Finnish fir and 100,000 lights should be putting a special glow on Bethlehem's Manger Square by now. Instead, they are stuck in an Israeli customs shed and may spend the Christmas holiday there.

The Finnish tree and the lights imported from China were held up because they do not meet Israeli standards, said Idit Lev-Zerahia, spokeswoman for the Customs Authority.

She said she could only release the goods if given the go-ahead from the Israel Standards Institute or the Industry Ministry. Bethlehem is a Palestinian-controlled enclave in the West Bank.

An adviser to Prime Minister Benjamin Netanyahu said Trade Minister Natan Sharansky had agreed to release the lights, if a Bethlehem official went to customs, filled out some forms and picked up the lights from the port.

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Lima to Chechnya

It's a long way, and not only in miles, from the privations and danger of a primitive village hospital in Chechnya to a glittering reception at the Japanese Embassy in Lima. But the two locations were sadly united this past week as innocent people became victims of terror.

It is in the nature of terrorism, of course, to choose the most blameless and defenseless as targets. In Chechnya, unidentified murderers killed six peaceful workers of the International Committee of the Red Cross, or ICRC, as they slept in an unadorned dormitory next to the hospital they served. These were nurses, mostly, from New Zealand, Canada, Spain and elsewhere, who defined the word altruism: "unselfish concern for the welfare of others." The ICRC, a Swiss organization partly funded by the United States, cares for the sick and wounded in conflicts few other noncombatants dare approach. Its increasing vulnerability in modern, intranational conflicts represents barbarism.

Chechnya, having improbably defeated the once-mighty Russian Army, is trying to recover from damage the Russians inflicted and take on some stability. Elections are scheduled for late January. Everyone now has theories about who might have wanted to disrupt those elections and scare off international observers by this most conspicuous of crimes: perhaps agents of disgruntled Russian security services, perhaps Chechen factions unlikely to win an honest poll. The fury unleashed by a war as savage as that waged by the Russians against Chechnya cannot be easily retethered.

The message of the Tupac Amaru rebels who are holding hundreds of dignitaries and diplomats hostage in Peru may be clearer. These are ruthless Marxist revolutionaries seeking to revive their fading movement. They say they want a release of comrades now in prison, a change in Peru's economic policies and free passage back into the jungle; mostly they want the publicity that comes with such an operation.

The effect of their crime, no matter how it turns out, will be to discourage foreign investment, thus deepening the poverty and inequality that feed movements such as theirs.

Here, too, the ICRC shows up, ferrying supplies and offering some hope of a peaceful way out.

The diplomats held hostage, including a handful of Americans, are not neutral in the way of ICRC workers, nor are they always quite so defenseless. Yet their current predicament serves as a reminder that America's Foreign Service officers, no less than its military, often deploy to dangerous places where they advance U.S. interests at considerable risk to themselves and their families.

—THE WASHINGTON POST.

Cloak-and-Dagger Excess

The spy games of the Cold War have proved more durable than the Cold War itself. A few weeks ago a fast-rising officer of the Central Intelligence Agency was charged with selling secrets to Russia in recent years. Now a supervisor at the FBI has been arrested and accused of similar misdeeds in the late 1980s and early 1990s. No doubt the CIA has been working just as feverishly in Moscow to learn the secrets of the Russian intelligence services. All this espionage activity seems excessive.

It would be unrealistic and naive to expect the United States and Russia to cease all spying on each other, even after the disintegration of the Soviet Union in 1991. There is still secret information about Russian conventional and nuclear forces that Washington needs to know to protect its interests and allies, and Moscow wants to learn more about U.S. foreign and military policies than it can pick up in the newspapers.

But the intensity of espionage activity, particularly the elaborate chess game still being contested between the nations' intelligence agencies, seems out of proportion to the threat either nation now represents to the other.

At a time when the United States is assisting Russia with the dismantling of its nuclear weapons, buying highly enriched uranium from Russian warheads and supporting international financial assistance to Moscow, it is baffling that the CIA and its Russian counterpart are still trying to outfox one another. The game itself seems more important to its practitioners than the reasons for it. The byzantine maneuvering cannot help but sow suspicion between the two countries. The Russian efforts seem especially energetic, but that may be only because U.S. agents in Russia have not been caught.

Earl Edwin Pitts, a 13-year FBI veteran, was charged on Wednesday with selling information to the Russians from 1987 to 1992 for $224,000. Federal prosecutors say Mr. Pitts gave Moscow a good look at how the bureau tries to combat Russian espionage, including a full list of Russians suspected of spying in America and the names of the FBI agents investigating them.

This betrayal was not as damaging as the hemorrhage of secrets engineered by Aldrich Ames of the CIA, or the more recent activities of another agency officer, Harold Nicholson, which suggested how eagerly Moscow is still trying to get past the defenses of the CIA and FBI. For such a small investment — $180,000 in the Nicholson case — the opportunities for mischief must seem enticing to Russian intelligence officials.

The FBI, for its part, has been busy trying to turn Russian officials based in New York and Washington into U.S. spies. It first learned in 1995 that Mr. Pitts might have worked for Moscow from a Russian who once worked for the Soviet Mission at the United Nations.

Not so long ago the U.S. government needed intelligence agencies to monitor every aspect of the Soviet Union, from the state of the Soviet economy to the health of the Soviet leader. These days when the Russian president has heart problems, an American surgeon is summoned to Moscow to help diagnose the ailment. There may be a lesson in that for Russian and U.S. spy agencies.

—THE NEW YORK TIMES.

Mexico's Future

The political system in Mexico is damaging to Mexico and the United States alike. The same party, the PRI, has ruled for two-thirds of a century — longest of any party in the world. To stay unbeaten so long it has had to institutionalize not "revolution," as its name (Institutional Revolutionary Party) suggests, but corruption, fraud and coercion. The effect on governance has been devastating: Mexico — needing a modern, flexible governing instrument to deal with complexity and change — is saddled with a rigid, archaic and illegitimate model. Next door, the United States inevitably pays part of the price.

The PRI has a reformist wing whose leader is the technocrat president, Ernesto Zedillo. He and some of his like-minded predecessors have conducted an enlightened policy but have been constantly frustrated by the party's dinosaurs. Last July, Mr. Zedillo negotiated with the opposition an impressive reform of the PRI-tilted political system. His international fans applauded; his domestic rivals bided their time. But the other day when the PRI lost a few municipal elections, its majority bloc in the legislature, eyeing the national elections coming up next year, restored some of the very spending and media provisions by which the party has hogged power. The political opposition, the restive urban population, the Chiapas guerrillas and the rest can only conclude that peaceful reform in Mexico is a dead end.

How does a one-party state go democratic without putting itself out on the street? Some of the Asian autocrats, in South Korea and Taiwan, have found it possible to respect public pressures for change and simultaneously to sell themselves as guarantors of stability. But these were countries doing well anyway. Russia was not doing well when Mikhail Gorbachev took over; he installed reform and ended up on the lecture circuit. Mexico is not doing very well, either; for it, political reform opens a way for the expression of the existing massive social and economic discontent. Democracy in Mexico, nonetheless, is a value that cannot be denied. It is coming, and Mexican politicians who reach for the future must either embrace it or waste their government's legitimacy and deepen their country's pain.

—THE WASHINGTON POST.

A Swath of Barbarism Spreads Across the World

By Jean de Courten

GENEVA — Six wooden coffins arrived this past week at the headquarters of the International Committee of the Red Cross in Geneva. They contained the bodies of six of our colleagues, murdered at night and in cold blood in a distant Chechen village.

The ICRC received them not only with a sense of immense and irreplaceable loss but also with a momentary sense of failure. The six, who not long ago had left their countries to bring aid and comfort to the victims of a faraway conflict (about which they probably knew little, except for the fact that their services and skills were needed there), were driven by the strength of a humanitarian ideal. Possibly they were killed because they were viewed as "foreigners," possibly because they harbored such an ideal.

The ideal is the Red Cross ideal, an ideal that cuts through the borders of nationality, race and gender. It has been with the world for well more than a century and brings, for as long as men permit it, a notion of humanity to areas where man plays out his darkest designs. For decades, men of war and those in politics above them have approved and defended this ideal. For people the world over, the symbol of the Red Cross is the symbol of hope.

As such, the ideal and the people who give body to it were respected. Today, however, it seems that in widening swaths across the planet a new barbarity is emerging, threatening not just the ICRC, not just the work of all humanitarian organizations, but the very foundations of what centuries of civilization have forged in the name of the common good.

A new breed of killer is appearing, one who knows no restraint and who is on the brink of denying to himself and others the very notion of humanity. Should he prevail, the world will not be a fit place to live.

Those who murdered our colleagues in Novye Atagi did more than kill six people. They attacked the foundations of their, and our, past and thus of our future. There is little doubt that should the world continue to tolerate such tragedies, this swath of barbarity will widen still more and affect us all.

It is true that such incidents have occurred before, but never on such a scale. Even now the ICRC views them as tragic aberrations, not anything approaching a "normal" course of inhuman events. But should the world take the slaughter of our colleagues in its fatalistic stride, such incidents will occur again and again until humanitarians cease to work or even exist.

In the aftermath of the Novye Atagi tragedy, the ICRC is even more convinced that the world as a whole — the United Nations, all national governments, every individual with a sense of humanity — must commit itself further to defend and promote policies and acts inspired by the humanitarian ideal.

The humanitarian ideal is under attack, in Chechnya and elsewhere.

Short-term, sectarian agendas must not be allowed to blur or undercut the humanitarian responsibility that binds us together in a knot that a barbarian's sword must not be allowed to sever.

In practice, this means that the ICRC hopes to return to Novye Atagi at the earliest date possible — security conditions permitting. We have left behind tens of thousands of people who depend on our aid — and in full winter. This also means that those in authority must act in the interests of those in their care, and that the international community — as embodied by such complementary organizations as the Red Cross and the UN — must be given the means to do its work.

Crises, wars, conflicts must be solved politically, economically, culturally. Those who can positively influence the political side of conflicts must be given adequate means; those with military responsibilities must endorse them to the hilt; those with the desire to help those in need must be allowed to do so.

It also means that those who perpetrate acts of inhumanity must be held accountable. Authorities in Chechnya, Moscow and in capital cities the world over must wake up to the need to provide our society with a means to prevent and punish such deeds. We must hasten to establish an international criminal court where the new barbarians will be exposed and disarmed. The ICRC, and indeed the Red Cross movement as a whole, will support and where applicable assist them in this task.

There is too much to lose. Should we allow the all-encompassing, blanket notion of humanity to slip further, we would in effect be holding the door wide open to the new barbarians.

The writer is director of operations for the International Committee of the Red Cross. He contributed this comment to the International Herald Tribune.

Seize the Moment and Give Up the Evil of Nuclear Weapons

By William Pfaff

PARIS — The firearm arrived in Japan in 1543, brought by Europeans. The Japanese quickly adopted it, and for the next century used it in their clan wars.

This was a period when the country was being forced into closer unity under the nominal rule of the emperor, a task eventually achieved by the Lord Tokugawa Ieyasu, who established a dynastic order in 1600 that was to last until 1867.

In 1607 the gunsmiths of Japan were assembled by imperial order, in Nagahama. They were told they could henceforth produce firearms only on government authorization. Two years later they were given an annual subsidy not to make firearms. By the early 18th century the entire national small-arms production consisted of 35 large matchlocks and 250 small ones, ordered by the government in alternate years.

The firearm, for practical purposes, had been abandoned. It continued to have a ceremonial military role, but swords, spears and bows again became Japan's principal weapons of war.

The last battle in which firearms had a significant part occurred in 1637, a year after the country was closed to all but a handful of European traders.

Japan had given up the gun. The next 200 years were nonetheless a period of great technological and social progress in Japan. The capacity to manufacture firearms remained, and when Commodore Matthew Perry arrived to force open Japanese markets in the mid-19th century, and the Japanese recognized that they had to have firearms to defend themselves against foreign domination, they rapidly created an arms industry as advanced as the West's.

During the preceding 200 years they had simply reasoned that firearms were unsuited to the society in which they wished to live.

Noel Perrin tells this entrancing story in an elegant little book published in 1979 called "Giving Up the Gun."

This is not the only case of arms limitation imposed by common sense. Chemical and biological weapons have been effectively banned in modern warfare, together with some forms of munitions, even though governments can still manufacture them and some, such as Iraq, have even used them in warfare. The lesson is that others do not automatically imitate what a "rogue nation" does, nor necessarily see advantage in doing so, nor does rogue behavior really change the balance of military power.

General George Lee Butler of the U.S. Air Force, head of the Strategic Air Command until 1994, and 60 other retired officers recently issued a call for total nuclear disarmament. Among this group was Alexander Lebed, the Russian general who halted the war in Chechnya and is a candidate for Russia's presidency.

The generals' statement says nuclear weapons are militarily inefficient and morally unacceptable. There are constant operational risks even in their peacetime deployment. Their actual use in war would do harm that is absurdly disproportionate to rational political objectives.

We have known this all along but believed ourselves trapped in our Cold War with a nuclear Russia. It was always a test of the strategic imagination to think of a rational employment for nuclear weapons.

My onetime colleague Herman Kahn was the most ingenious of such analysts, but even he admitted that the intellectual exercise of imagining "acceptable levels of destruction," "manageable nuclear wars" and doomsday machines had as its real virtue the result that it forced government officials to actually think about what they were doing.

We have mostly understood that these weapons are inherently useless. They are not really useful even to small countries that believe themselves vulnerable to large ones. The threshold to their use is so high, and their use so grave in its implications, as to be self-deterring. Even if they are used, what is accomplished? What would come after?

We are near the end of the seventh year since the Cold War ended. The century is closing, one of industrialized and genocidal totalitarian warfare. Yet its sufficient horrors would have been nothing by comparison with the horror produced if the United States and Russia had actually executed the nuclear attacks each spent 40 years preparing.

At this moment we have an opportunity to eliminate these weapons.

All the acknowledged nuclear powers are at peace with one another. We need to negotiate, with every nuclear power, the total, reciprocal, supervised elimination of nuclear weapons.

If not everyone will go along, so what? The last 40 years have taught that the only value these weapons possess is strictly negative and reciprocal. The reciprocity no longer functions, since modern guided conventional munitions can perform with discrimination, economy and accuracy any militarily useful task a nuclear weapon could do — do inaccurately, indiscriminately and wastefully.

The great quality of Ronald Reagan, the one for which he will be remembered, was his simplicity. He was capable of seeing simple things that others insisted on complicating. He saw the Cold War was ending, and he trusted Mikhail Gorbachev.

He saw that nuclear weapons were an evil. If he were president today, he would, I think, see that it is time to give up the bomb, and that if we do not seize this opportunity we will eventually be very sorry. I think he would invite General Butler to the White House, to draft an offer the United States can put before the international community.

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An Israeli Hawk Decries 'Bibispeak' and Warns of Explosion

By Anthony Lewis

JERUSALEM — "I have strong emotions about the parts of the Land of Israel that are heavily populated by Palestinians," Ehud Barak said.

"It has to do with the roots of our civilization.

"But it's clear to me that in reality we cannot hold all this territory. Toward the end of the 20th century we cannot have messianic dreams."

Mr. Barak, a military hero turned politician, retired as chief of staff at the end of 1994 and soon joined the Labor government. Shimon Peres made him foreign minister before Labor lost the election last May. Now he is the likely successor to Mr. Peres as party leader.

In a talk in his Knesset office, he was bitingly critical of Prime Minister Benjamin Netanyahu.

"In six months," Mr. Barak said, "he has lost the most precious asset we developed in the last few years with the Palestinians, President Mubarak, King Hussein, even to an extent President Assad. That is confidence in the seriousness of the intentions of the Israeli leadership to consider far-reaching, calculated risks in order to achieve a stable peace.

"The litmus test is the attitude toward separation and sovereignty west of the Jordan River. We [the Labor Party] say we need to separate in order to create mutual respect and eliminate the sense of patronizing. We don't want to control other people. We want the Palestinians to define their political will outside our sovereignty.

"Netanyahu tries to hide it, but he clearly wants only one sovereignty west of the Jordan. For us, that means we are heading inevitably toward a binational state, if the Palestinians vote for the Knesset, or a nondemocratic one. It would be either apartheid or more probably Belfast, Bosnia or Beirut."

Mr. Barak said Prime Ministers Peres and Yitzhak Rabin had used ambiguity constructively, to create in the Oslo agreement a framework that would gradually build mutual confidence. But Mr. Netanyahu, he said, aims to accelerate negotiations in order to prove that the Palestinians are stubborn and will not agree. And that "might lead to an explosion."

"The prerequisite for a stable Middle East," he said, "is that we recognize the needs and sensitivities of our inevitable partners. They're going to be there forever. You don't choose your parents, and a people cannot choose its neighbors — especially when it came back from all around the globe to a certain piece of real estate.

"The question is: Are we really going to settle with the Palestinians, or are we going to manipulate it to let us control them without appearing to?" Then, playing with the prime minister's nickname, Bibi, he said the latter course was typical of Mr. Netanyahu: "He's adopted a kind of Orwellian Bibispeak."

Some in the Labor Party regard Mr. Barak — the most decorated soldier in Israel's history — as too hawkish. But that image would no doubt be helpful with an electorate so driven by issues of peace and security.

"We believe peace is not something you have to pay for with security," he said, "but the opposite — a contribution to security.

"The Likud, in spite of all the bravado, the machoism, begins with a primal anxiety: a kind of diaspora fear. As if we were not the strongest power in the Middle East!

"From the security standpoint we are living through a window of opportunity, after the demise of the Soviet Union and the defeat of Iraq in the Gulf War. We enjoy a unique superiority over any combination of hostile players.

"But there are quite disturbing phenomena looming over the horizon: the prospect of another wave of fundamentalist radical Islam, or another wave of state-sponsored terror or nuclear force in the hands of individuals like Saddam Hussein.

"We cannot control the evolution of such things, but we can make a determined attempt at relaxing the inner ring of countries around us.

"That's the Rabin-Peres vision: Use the opportunity to try to reach a reasonable, even a fragile set of agreements backed by the international community. That would make it much more difficult for an Iran or Iraq to nurture active hostility against Israel."

The New York Times.

Needed in Africa: Elastic Borders

By Francis M. Deng

WASHINGTON — The return to Rwanda of about half a million Hutu refugees who had been living in Zaire may appear to have averted a tragedy. But the nations of Africa's Great Lakes region are still seized by the problems of Burundi and Rwanda. Moreover, the involvement of the rebel Zairian Tutsi in the conflict links both Rwanda and Burundi with Zaire.

What the current situation calls for first is a radically different view of borders. In the past, neighbors and farmers and herders moved across borders in search of pastures and sources of water. Colonial state borders interfered with that relative freedom of movement. From being a constraint to population mobility, these otherwise artificial borders should be modified to allow freedom of movement and regional cooperation.

Former President Julius Nyerere of Tanzania has proposed a similar idea. In his view, the crisis of Rwanda and Burundi is essentially one of overpopulation and land shortage. He proposes to make arrangements for countries of the region to open up and expand economic and political space for populations now squeezed within their present borders. Naturally, there will be resistance to this idea, but the situation calls for difficult choices.

Either Africa continues to hold the colonial borders as sacrosanct and to risk implosions and even disintegration, or Africans must modify state borders, widen the scope of participation, and make creative arrangements that would ease the tensions and foster regional economic and political cooperation. Making borders malleable and adapting them to the pressures on the ground could be the most prudent way to protect them.

There is more to the crisis of the Great Lakes region than a passing humanitarian challenge. Unless root causes are addressed, the chain of humanitarian tragedies will continue.

Statesmen must try to balance and reconcile the forces of fragmentation at the national level with the forces of integration at the regional level. These internal and external dynamics also dictate that within a given country, state sovereignty can no longer be defined negatively as a barricade against external involvement. It must be recast as primarily a positive concept of responsibility toward the citizens and all those falling under the jurisdiction of the state.

It is fashionable to think of humanitarian intervention as a specifically targeted operation of limited duration with a clear exit strategy. But these problems defy such short-term, first-aid approaches.

The international community can generate strategic thinking along the lines of the regional economic and security arrangements envisaged by President Nyerere. International involvement, whether through military intervention or political and economic initiatives, could encourage a regional approach to the interconnected crises of the region.

The writer, a former Sudanese ambassador to the United States, is a senior fellow at the Brookings Institution. He contributed this comment to The Washington Post.

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IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1896: Spain on Guard

MADRID — It is stated that Senor Dupuy de Lôme, the Spanish Minister to the United States, has telegraphed to his government that Secretary Olney told him that Spain may rest easy regarding the attitude of the United States Government toward Cuba until March next, as Mr. Cleveland will not recognise the independence of Cuba, Congress notwithstanding. The Spanish War Office is preparing drawings of numerous geographical, topographical and military documents relative to the United States for distribution among the officers of the army.

1921: Baseball Bucks

NEW YORK — The bank-roll appears to be paramount in the baseball world this winter. Practically all of the club-owners have slipped the rubber bands from theirs and have gone out gunning for the best material that is to be found. The two pennant winners, the Giants and the Yankees, dwellers in Gotham, are the worst offenders against Judge K. M. Landis' order to bring down the cost of the national sport to twenty-five-cent bleacher seat levels.

1946: Hanoi Besieged

PARIS — French authority was re-established last night [Dec. 20] after a full night and day of heavy fighting. A communique from the bitterly-contested capital of Indo-China said that the Viet Nam Republican government of President Ho Chi-Minh had fled, leaving the city under the martial law of General Jacques Morlière. Reports from Hanoi described the capital as besieged because the road between the capital and Haiphong was cut by the Viet Namese and this road was the only source of a dwindling food supply.

UN Observers Among 23 Hostages Seized by Tajiks

Compiled by Our Staff From Dispatches

DUSHANBE, Tajikistan — Tajik guerrillas seized 23 hostages on Friday, including seven foreign United Nations military observers, and threatened to shoot them if their demands were not met within two days.

A UN spokeswoman, Sylvana Foa, said at a news briefing Friday that the guerrilla group, which claims to be led by Rizvon Sadirov, a former Islamic opposition leader who defected to the government side last month, was calling for its demands to be met by 2 P.M. local time Sunday.

The hostage-takers are demanding the release of Mr. Sadirov's brother, now held by another military commander, Mirzo Ziyoyev, and the opening of a corridor on the Tajik-Afghan border to allow Mr. Sadirov's men still in Afghanistan to regain the area under their commander's control.

Miss Foa, speaking at the UN headquarters in New York, noted that "the UN is always in a very sensitive position on these issues, but at this moment we are taking a look at these demands and talking to both groups," referring to the Tajikistan government and Mr. Sadirov's group.

The guerrillas staged their action as the Tajik president, Imoli Rakhmonov, and the exiled opposition leader, Sayid Abdullo Nuri, were in Moscow for talks on ending the four-year civil war in the former Soviet republic. The two men met briefly Thursday. Officials from the two sides held a second day of discussions Friday.

The hostage-takers called themselves "Rizvon Sadirov's Group" and said they were loyal to Mr. Sadirov, the rebel leader who changed sides last month to back the government. His brother is being held by opposition fighters in the mountainous Tavildara region. Mr. Sadirov himself is believed to be in neighboring Afghanistan with groups of armed followers.

The incident occurred at 1:50 P.M. about 70 kilometers (40 miles) east of Dushanbe as the UN convoy was traveling from the city of Garm in central Tajikistan, where government troops and opposition forces have clashed recently.

The UN source said the 23 hostages included foreign and Tajik UN workers, as well as government and opposition representatives of a joint committee set up to conduct negotiations. Two of the seven foreign military observers were from Bulgaria. The others came from Denmark, Jordan, Ukraine, Uruguay and, the UN source believed, Austria.

The UN mission has 96 foreign military observers in Tajikistan. Its mandate was renewed for four months last week.

The observers have twice this month been subject to beatings and mock executions at the hands of Tajik government soldiers. *(Reuters, AFP)*

A Hope and a Prayer

Families of Hostages Find Little Things Now Take on Monumental Importance

By Gabriel Escobar
Washington Post Service

LIMA — She followed the instructions to the letter. The faded blue polo shirt and a pair of underwear were inside a clear plastic bag. The hostage's name — her husband's name — was printed neatly on a little piece of notepaper.

With so little to do and too much time to think these days, Friday morning's simple errand was monumentally important.

Now, standing outside the offices of the International Committee of the Red Cross, Maria Isabel Basurto de Eda was trying very hard not to cry. She was asked what she had said to her husband the last time she saw him, when terrorists shoved her and her in-laws out of the residence of the Japanese ambassador. Tears welled. "I just told him to take care and to confide in God — He will help," she said. "That is all I was able to say."

As the hostage situation entered its fourth day Friday, relatives of the estimated 380 people held captive continued their vigil and sought ways, no matter how small or uncertain, of maintaining contact with them. For Mrs. Eda and for dozens others, the care packages that the Red Cross was collecting offered a first opportunity to communicate indirectly with loved ones, and the little parcels became a kind of votive gesture for families who are largely surviving on hope and prayer.

The scene outside the Red Cross was a reminder of how profoundly lives have been altered by the takeover of the residence, which aside from provoking an international crisis is also, at heart, a very personal drama for hundreds of families.

With no way to reach out directly, people have taken to the streets, carried statues of saints to the scene, draped the city with flags, played the national anthem and flooded a television station with messages intended for the hostages.

"We are counting on you to come home. Father is stable," said one message, which like many others was highly personalized. "Your father is well and is expecting you for Christmas," another said. "Everyone is fine, especially the baby," said a third.

For Mrs. Eda, the anguish is perhaps more acute because she and her in-laws were inside the residence when the terrorists attacked Tuesday night.

The Edas are members of the large Japanese-Peruvian community that includes President Alberto Fujimori.

Mrs. Eda, 47, said they had been at the reception for only a few minutes when a blast followed by gunshots announced the arrival of commandos from the Tupac Amaru Revolutionary Movement.

She was able to see six or seven terrorists, all dressed in green army fatigue pants. Their faces were covered with red and white bandannas. They carried small arms. Some of them began barricading the door and the windows with furniture. When the Peruvian police fired tear gas into the residence, the men calmly put on gas masks that they were carrying in small backpacks.

As the crisis moves, uncertainly, toward negotiations, the debate in Peru is increasingly over whether the hostages should be traded for jailed members of the rebel group. Mrs. Eda's views on this reflect the deep antipathy Peruvians have for the terrorists, and even with so much at stake, she could not bring herself to endorse such a plan.

"The situation is very difficult for the government," Mr. Eda said. "You cannot release terrorists who have done so much harm."

EUNUCH: *A Life of Regret*

Continued from Page 1

traditional ceremony at the Guanghua Temple in Beijing, where his family laid a gold cloth across his face, put rings on his fingers and shrouded him in white silk embroidered with the dragon and phoenix emblems of China's imperial tradition.

"He was a man of rare intelligence," Mr. Jia told Reuters, recounting how Sun had revisited the Forbidden City in 1993 for the first time in more than 70 years and had pointed out inaccuracies in the historical displays.

In one corner of the outer square of the palace, a granite block still marks the spot where some of Sun's fellow eunuchs were said to have lost their "three precious," as the organs were called in court parlance of the day.

Traditionally, a eunuch preserved his genitals in a jar, to insure that they would eventually be buried with him, in the belief that this would guarantee his reincarnation as a "full" man.

Sun was not so fortunate. During the Cultural Revolution, the decade of intense political and social upheaval that began in 1966 — coincidentally the year the former emperor died — Sun's family destroyed his jar. They were afraid of being punished by marauding Red Guards if such a symbol of the feudal past were discovered.

"He used to joke about it," said Mr. Jia, who recorded Sun's story in a book titled "The Secrets of the Last Eunuch."

"He said, 'When I die I will come back as a cat or a dog.'"

Sun passed his later years tending Beijing's temples, and Mr. Jia said the eunuch's adopted son and grandson would now take his remains to a home village, near the northern city of Tianjin, for further ceremonies before having them cremated in Beijing.

The practice of using castrated men as guardians of the emperor's inner court began more than 2,000 years ago.

According to Jonathan D. Spence, a China historian at Yale University, the practice reached its zenith during the reign of Emperor Wanli in the late 1500s, during the Ming Dynasty, when the ruler authorized the hiring of a large number of eunuchs and withdrew himself from the day-to-day running of the court.

"Since the emperor would not come out from the inner recesses of the Forbidden City — an area closed to all save the imperial family and their personal attendants," Mr. Spence wrote in his book "The Search for Modern China" — "the eunuchs became crucial intermediaries between the outer bureaucratic world and the inner imperial one.

"Any senior official with business that demanded the emperor's attention had to persuade a eunuch to carry the message for him; the eunuchs, naturally enough, asked for fees in return for such service, and soon the more powerful ones were flattered and bribed by ambitious officials."

A ruling principle of Chinese history emerged: whenever the authority of an emperor receded, so the influence of eunuchs grew as a court yielded to a web of corruption, a hallmark of a declining dynasty ripe to be overthrown.

Mr. Jia, the biographer, said China's last eunuch had never stopped lamenting the fall of the imperial system he had aspired to serve. "That was the regret of his whole life," he said.

Jack Dabaghian/Reuters

REMEMBERING MASTROIANNI — The French actress Catherine Deneuve, left, with Barbara Mastroianni, a daughter of Marcello Mastroianni, at funeral services Friday in Paris for the Italian actor.

JAPAN: *Tokyo and Allies 'Far Apart' on Handling of Lima Crisis*

Continued from Page 1

not use violence or military force to solve international conflict," said Minoru Morita, a political analyst in Tokyo. "Whether we are criticized or not, this has to be our position as long as Japan is a country ruled by law."

Mr. Morita called the hostage-taking the most serious challenge to Japanese diplomacy since World War II. He said Mr. Hashimoto and his cabinet should resign if they do not secure the release of the hostages without violence.

Tetsuya Chikushi, a television commentator, said in an interview that the Peru crisis illustrated the difference between Asian and Western decision-making styles — one favors compromise and consensus, one prizes action.

"It's going to be a struggle between these two principles," Mr. Chikushi said.

However, Mr. Chikushi said Mr. Hashimoto may have a problem if he follows the Japanese system: "If they compromise in this case, it will give a bad example to the guerrillas. They will think that if they kidnap a Japanese, they can expect some kind of compromise."

Tokyo for years has sought to take more of an international leadership role, with a mixture of conviction and dread. While Japan has pursued a permanent seat on the UN Security Council, there is a reluctance among many Japanese to become too deeply involved in global affairs.

The Peru crisis is a rough taste of the responsibilities that come with an international presence. Japan has become one of Peru's largest sources of foreign aid and investment, particularly since the 1990 election of President Alberto Fujimori, whose parents emigrated from Japan.

That high-profile presence in Peru led in part to the hostage-taking: the rebels have said they chose to attack the Japanese ambassador's residence during Emperor Akihito's birthday celebration to protest Japan's aid to Mr. Fujimori's government.

With every television network daily broadcasting hours of coverage of the hostage situation — about 60 Japanese are among the hostages — just about everyone here has advice for Mr. Hashimoto. Some of it runs counter to traditional Japanese reasoning.

Norio Asakuno, 55, a utility company president, said the Peru crisis is a test of whether Japan can cope with events on an international scale.

"We need leaders who will make courageous decisions if necessary," he said. "I think we must try to solve this in the most decisive way, even if that means some lives are lost."

PERU: *Hostages' Conditions Deteriorate*

Continued from Page 1

and strength of mind to trust that we will reach a peaceful solution."]

The Japanese foreign minister, Yukihiko Ikeda, who was appointed as his country's point man, arrived Thursday and met with President Fujimori and Friday spoke at a gathering of Japanese Peruvians. With such a high-powered delegation from Japan, which under international conventions is the authority on the grounds of the residence, the Japanese government's role is expected to be a important.

The lack of information from the presidential palace began to worry some Peruvians, who from the onset have had assess the situation by relying on often conflicting reports in the news media.

"The absolute silence has confused people — they don't know what to think of the government," said Enrique Bernales, a former senator here and now Peru's special representative to the United Nations Human Rights Commission. "The government doesn't have to reveal all its cards, but at least should show its face."

In many respects, the silence is characteristic of the Fujimori administration, which is known for surprise midnight votes in the legislature. And ultimately, the decision on how to resolve the standoff rests with Mr. Fujimori himself. Known for his authoritarian streak and intense antipathy toward terrorists, the president finds himself weighing several imponderables, analysts say. Of the four demands made by the Tupac Amaru, one of the easiest in theory is releasing several hundred rebels now in jail, among them the most senior leaders of the movement.

Early Friday morning, a communiqué apparently released by the government said that terrorists would not be released, according to The Associated Press. The accuracy of that report is now in question because the communiqué was unsigned, and the lack of any reference to it Friday raised the possibility that it was some kind of trial balloon. Regardless, many people believe Mr. Fujimori and Peru's security apparatus would be extremely averse to releasing any terrorists.

"It's a question of state security," said Alvin Adams, the United States ambassador until August who is now the chief of the New York-based United Nations Association of the U.S.A., a nonprofit foreign policy group. "The record is pretty clear. When you release terrorists, they go back to what they were doing before."

Mr. Adams, who during his three-year stay got to know the elusive and unpredictable Mr. Fujimori, described the idea of a mass release as a "nonstarter." "The president, for whom I have a lot of respect, is a very reasoned and rational person," he said. "I can't predict what the final outcome will be, but I think it will be with reluctance, with extreme reluctance, for him to yield to their demands."

RECORDS: *Subpoenas Over Donations*

Continued from Page 1

Among the figures mentioned in the subpoena to the White House were James and Mochtar Riady, members of a prominent Indonesian family who have long supported Mr. Clinton, and John Huang, a former senior Democratic fund-raiser and top American executive with the Riady family's businesses in the United States. The subpoena ordered information that the White House may have about the Riady family's main company, Lippo Group. The subpoena also listed several large contributors whose donations were solicited by Mr. Huang and were recently returned by the Democratic National Committee because they may have been improper.

Lanny Davis, a special White House counsel, said that the administration was "cooperating with the inquiry" and that he expected that the defense fund would cooperate as well.

Another administration official said the White House had asked all officials to search their files and send all material relevant to the subpoena request to the White House counsel's office by Monday.

VIETNAM: *50 Years On, France Erects a Memorial Wall*

Continued from Page 1

from bringing our wounded into Marseille," he said. "It made you sick at heart."

With Germany hardly defeated, France went back to war to stop Ho Chi Minh and his Viet Minh guerrillas from taking Indochina out of the empire.

By the time Dien Bien Phu fell in May 1954 with the loss of 1,800 defenders' lives, the war had cost France $2.7 billion. It consumed 10 percent of the national budget each year.

At home, debate was fierce as reports came back of French torture and brutality in what the writer Lucien Bodard called "the quicksand war."

Moroccan units bore much of the brunt at Dien Bien Phu, and ripples were felt throughout the empire. Soon, a more bitter war broke out in Algeria. In 1960, French African colonies were freed.

When President John Kennedy's attention drifted toward Vietnam, General Charles de Gaulle pleaded with him to avoid war in Southeast Asia. France had learned the hard way.

Thursday's ceremonies, low-key but emotional, brought home the indelible stamp that centuries of colonization have left on France.

Under furs and an elegant broad-brimmed hat, Deo Van Tai wept silently before the long list of names. She is hereditary princess of Tonkin, which became North Vietnam, and now lives in Marseille.

"They are all on that wall, my family, my friends," she said, leaning for support on her French son-in-law.

A cheerful veteran named Joseph Ajagaya chatted about his 32 years of fighting for France in Asia and Africa as a combat engineer.

"My mother is Vietnamese, and my father is Indochinese," he said, "but my flag is French."

Nearby, Mouloud Layachi, 69, and a friend relived their stay in a Dien Bien Phu prison camp. Each wore a jacket ablaze in combat ribbons that stretched from pocket flap to bottom hem. Both were Algerians, recruited into the French Army when their homeland was part of France. Now they are retired near Lyon.

Mr. Layachi joined up just in time to fight Germans. He survived Vietnam only to find himself fighting back home, helping the French keep Algeria under its wing.

Clearly proud of his service, his eyes moistened at the simple ceremony honoring his fallen buddies.

Later, he gave a sorrowful shrug when asked about an issue that divides France today. "It hurts when Frenchmen now call us outsiders," Mr. Layachi said. "My comrades lying here have no color."

GERMANY: *Health Costs Threaten 'Principle of Solidarity'*

Continued from Page 1

costlier for those who need it most, said Micheale Gottfried, a spokeswoman for the VDAK Association of Health Insurance Funds, which represents seven of the biggest public insurers, which cover one-third of Germany's population.

The situation looks drastically different from the government's perspective. Public health insurers collectively lost 8.7 billion Deutsche marks ($5.59 billion) in the first nine months of the year, the Health Ministry said, and the insurers expect to lose 15 billion DM next year.

"We can no longer afford to have the health system pay for everything from help with marital crises to school problems," said Horst Seehofer, the health minister. "Germans do not yet comprehend the magnitude of the problem."

The debate is emblematic of the economic shifts that have been under way in Germany this year. Although social solidarity is a sacred cow under Germany's welfare state, the government this year has reduced mandatory sick pay, pension payouts and jobless benefits.

With his latest plan, Mr. Seehofer could be striking a bigger blow to social cohesion than this year's other initiatives. Many of the other changes were blocked after the left-leaning opposition successfully cemented a coalition with unions and social agencies. Even a law that went effect Oct. 1, which reduces mandatory sick pay benefits to 80 percent of pay, was effectively annulled by the latest collective bargaining contracts that reinstated full pay for sick days.

Mr. Seehofer's proposals will affect the 90 percent of all Germans covered by the public health insurers. They were received poorly by the public. Earlier this month, demonstrators in Bonn carried banners reading "Seehofer — executioner of the disabled, henchman of the drug industry." Others brandished models of skeletons. A survey this week showed that growing pessimism over the health care system, with 73 percent believing the delivery of care will worsen.

This year's first round of cuts was meant to save 7.5 billion DM next year, enough to allow a drop in average premiums. One of the top priorities this year in Bonn has been a search for ways to reduce the raft of compulsory wage withholdings, which are shared equally by employer and employee and widely are blamed for the exodus from Germany by companies unwilling to pay the labor bill.

But Mr. Seehofer's hopes of restoring the system to financial health and of reducing payroll withholdings have been dashed.

Health insurance premiums are expected to rise. In a worst-case scenario, according to Mr. Gottfried at the VDAK, Germans would pay an average of 14.5 percent of gross wages next year for health coverage, up from 13.5 percent currently. The figure was 8 percent 25 years ago.

Precisely because businesses have left Germany, leaving mass layoffs in their wake, fewer Germans pay into the insurance funds although they continue to draw benefits. The remaining workers pay a larger share.

Claims for treatments and therapies are rising at a rate that bears no relation to medical needs, Mr. Seehofer said. From 1991 to 1995, national spending on hospitalizations rose 36 percent. Spending on doctors and dentists rose 29 percent.

Mr. Seehofer's latest proposals would allow a breeze of competition to blow through a system in which each insurance fund legally is obliged to cover identical services and pay identical fees for them. To give insurers cost-cutting tools, public insurers shortly will be able to compete for members.

Once an insurer raises premium rates, as most are expected to do, members for the first time have the freedom to switch insurers without changing jobs. Furthermore, each fund would be authorized to offer a variety of benefits packages and different rates. Insurers can decide if they want to pay for a wide range of "optional" treatments. They can offer reimbursements for healthy members who do not make claims over a certain period.

The changes do not go as far as many business advocates would like. The BVA National Federation of Employers, and the insurers themselves, are pushing aggressively to allow each fund to negotiate directly on costs with hospitals and doctors to create a German version of the U.S. health maintenance organizations, or HMOs. Although the powerful doctors lobby has blocked the effort this time, BVA's director, Gert Nachtigal, believes such changes might well be the natural evolution of the cash-strapped German system, which needs to force savings wherever it can.

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The Essentials Of a Star Painting

A Widening Gap Separates The Jazzy From the Tame

International Herald Tribune

LONDON — Just as the gap widens between the super rich and those with limited incomes, so does an increasingly visible rift set apart a handful of pictures for which the sky is the limit from all the rest.

For dealers, and those driven by the desire to make a pile on an artistic bet, the million-dollar question, literally, becomes: What is it that makes a picture desirable in the eyes of dollar

SOUREN MELIKIAN

multimillionaires? Or, put in the perspective of events this month at auction, what is the common denominator between the manneristic "Judgment of Paris," sold as a Lucas Cranach the Elder at Sotheby's on Dec. 11; Joseph Heintz's "Adoration of the Shepherds," which multiplied its estimated high almost sixfold on Dec. 13 at Christie's; Michele Marieschi's "The Courtyard of the Doge's Palace," sold for a world record price for the artist in the same sale, and El Greco's "Saint Francis and Brother Leo," which left professionals marveling an hour later as it nearly matched the high estimate instead of failing as it would probably have done a decade ago?

The answer is not to be sought in any art-historical link but in the image that each one projected. Seemingly disparate, the four pictures share features that put together, tell us a lot about the deeper attitudes of our society to art in particular and culture in general.

The "Judgment of Paris," a small panel only 43 centimeters (17 inches) high, dainty and precise, is not at first glance the kind of picture that would appeal to the greater number. Admirably crafted, it lacks the strident energy laced with ambiguity for which Cranach the Elder is so remarkable, but action goes on under our eyes with a fairy-tale touch to it. All is focused on the knight in armor (Paris), leaning back as he looks up at three young beauties under the sweetly understanding eye of his steed.

The young women with slanting eyes, suitably demure yet haughty, are handled with sculptural perfection. The contrast between the delicate skins and the glitter of the steel armor, the precious touch of their golden jewels and the gauze veils intended to emphasize, not to conceal nudity, all contribute to the surreal quality of this vignette from a medieval romance. Mystery exudes from this extraordinary happening in which Mercury, wearing his extravagant golden-winged headdress, gravely peers at a rock-crystal globe. The small size notwithstanding, there is a monumental aspect to these statuesque characters. All that sent the panel climbing to more than £1.98 million ($3.29 million).

Much the same factors had a similar impact on the otherwise radically different "Adoration of the Shepherds" painted in 1599 by Joseph Heintz I. The skill is once again in evidence. As in Cranach's picture, the composition has a sculptural quality with its cleverly positioned figures enhanced by an architectural feeling for depth and volume — Heintz was trained by his architect father. The picture is strongly focused and that enhances an explosive sense of drama.

Mary is seen crossing her arms in ecstasy as she peers at the infant Jesus, wiggling and laughing in a highly unusual representation. A raffish-looking Joseph is about to raise his wide-brimmed felt hat in a kind of roaring salute to the child. Hovering in an unreal outburst of golden light, an angel in translucent drapes hovers above it all, adding the ultimate dream-like touch to the action. An operatic lyricism further helped it climb to an astounding £463,500.

MARIESCHI'S "Courtyard of the Doge's Palace" again seems worlds apart at first sight. Yet, it shared the required combination of ingredients — the craftsman's achievement, here at an apex for the artist, the monumentality of the perspective sustained by the rhythm of the carved ornament, and the suggestion of an event in the making conveyed by the figures talking and walking as on some outsize stage set. The intense sunlight falling on one side of the courtyard emphasizes the feeling of a happy moment miraculously caught.

El Greco's picture with its grim subject, the contemplation of death, would seem to stand apart. But here too the conditions for success are met. The saint's figure carved out in glaring light against the unreal mountain side plunged in darkness has the monumentality common to all four pictures. The subject is intensely focused. Everything converges toward the skull held by the saint, emphasizing the tragic meditation. Brother Leo twists his body in a dramatic posture to catch sight of it. A sun ray darts down from the top corner left to light up the skull. The two Franciscan figures shimmer in the surreal light. It made the El Greco irresistible and sent it soaring effortlessly to £1.486 million.

Christie's

"Salvator Mundi," painted on panel, attributed to Alvise Vivarini.

The minute any one of the fundamental ingredients required to make up the dramatic, shining image is missing, the attraction weakens and the price scale changes. This was shown, among others, by Canaletto's admirable view of the Redentore church in Venice, which shows up the artist's mastery at its highest. It has a perfect architectural sweep in the softening light of a declining summer day. A gondola glides away on the still waters. Harmony and serenity emanate from the scene, and that is not a plus. At £705,500, the price was high as befits a museum piece, no more. It lacked the vibrancy that sends tremors down the spine of billionaire buyers or their purveyors.

When the intensity needed to rivet the attention of our contemporaries is missing, some real gems can be had for relatively little money. At Sotheby's on Dec. 11, the portrait of a woman in a black dress was catalogued as a picture from the "circle of Francois Clouet." The panel stood no chance of being one, as the wording indeed conventionally implies. The handling of the face, as lightly and precisely painted as that of a miniature on vellum, made it a masterpiece of introspective study to which some other name may eventually come to be attached. As Old Masters go, it was cheap at £40,000.

At distant intervals, the paralysis of our contemporaries when confronted with great art that is not dramatic or obviously spectacular, may even allow some absolute rarity to slip through the net. Few seemed to have taken a close look at the "Salvator Mundi" painted on panel that turned up at Christie's on Dec. 13, "attributed to Alvise Vivarini." The fine print added that it is "a variant of that made by Vivarini (c. 1493-4) for the reliquary in S. Giovanni Elimosinerio in S. Giovanni in Bragora, Venice." On the panel, the raised hand of Jesus (which is missing on the reliquary) has a perfection in the handling of volume, movement, and rendition of the flesh that only masters can manage.

A "VARIANT," meaning an interpretation of an original by the Quattrocento master? Peter Silverman, who moves between New York, London and Paris, did not think so, nor did two of his colleagues, Richard Herner and Edmondo di Robilant. The panel cost Silverman and partners £25,500, triple the high estimate but a fraction of what it may go for if it gains acceptance as a genuine Vivarini, whose work is unobtainable — £400,000? £500,000?

The game is open to all and sundry. It only takes an eye to play it, plus, to be accurate, years of accumulated knowledge.

On the Way to Civil War, An American Portrait

By Ken Ringle
Washington Post Service

WASHINGTON — The National Portrait Gallery has unveiled an object that symbolizes in rarely equaled fashion the cultural and historical crosscurrents that led to the Civil War.

It is a 3.5-by-4-inch piece of brass- and leather-framed metal — the earliest known daguerreotype portrait of John Brown, the firebrand abolitionist whose bloody deeds and crazed visions helped kindle the deadliest conflict in American history and spurred the freeing of the slaves.

The daguerreotype's creator is as intriguing as his subject. Augustus Washington was a prominent African American portraitist whose passion for freedom rivaled Brown's, and who later emigrated to Liberia in the hope of finding a better life.

The daguerreotype, previously known only via turn-of-the-century reproductions, was purchased for $115,000 in October through Sotheby's auction house in New York, according to Mary Panzer, curator of the Portrait Gallery's extensive photographic collection. It shows a beardless and steely-eyed Brown, one hand on the staff of an unknown type of flag, the other raised as if swearing some sort of oath before the camera.

National Portrait Gallery

Detail of early daguerreotype of John Brown.

Panzer said the portrait appears to have been made in 1847 in Hartford, Connecticut, where Washington had a studio. At the time Brown was in New England pursuing a series of failing business ventures that preceded his vision of himself as the sword of liberty for the slaves. "After his death, of course, he became this larger-than-life figure of martyrdom," Panzer said, "and a great many portraits were made or duplicated. But this is the earliest we know about."

It is one of 98 daguerreotypes in the gallery collection, she said, and she and other Smithsonian Institution officials count themselves lucky to get it. In the past few years, daguerreotypes "have skyrocketed in cost," she said, in part because the early photographic process produced images that could be duplicated only by taking a picture of the picture. The daguerreotype process, which involves coating a metal plate with silver iodide and developing it, after exposure, with mercury fumes, was developed in France by Louis Daguerre in 1829. It was brought to America the following year and flourished until about 1855 when it was overtaken by the wet-plate technique popularized by Mathew Brady and others.

Alan Fern, director of the Portrait Gallery, said daguerreotype portraiture attracted entrepreneurial young men who needed little capital to set up a studio. An unusual number of them were black. Washington, the son of an Asian mother and a former Virginia slave, was born in New York around 1820 and received an education comparable to that of most white youths. He was deeply influenced by antislavery publications and believed education was the best way, he said in one of his letters, "to elevate the social and political position of the oppressed and unfortunate people with whom I am identified."

He worked as a teacher and studied at several colleges including Dartmouth, but was plagued by money problems and took up daguerreotype portraiture to pay his bills. Panzer said daguerreotypes normally sold for $3 to $5 in the 1840s, or the equivalent of around $100 today. "It was a considerable sum, but less than half the cost of a painted portrait." Washington numbered many prominent citizens among his clients, including the abolitionist William Lloyd Garrison.

But he became dissatisfied with abolitionist efforts and decided Africa was the only place where a black man could live freely. He emigrated to Liberia in 1853, worked at daguerreotype portraiture there until his supplies ran out, and then took up farming. He is believed to have died there, but the date of his death is not known.

The Monet Boom

New York Times Service

NEW YORK — Over the next two years, there will be a rash of important shows devoted to Monet. "Monet and the Mediterranean" opens at the Kimbell Art in Fort Worth next June and travels to the Brooklyn Museum in New York in October.

"Monet in the 20th Century," is to open in Boston in the fall of 1998 and travel to London in early 1999. This show may collide with an exhibition that is to be held at the Orangerie in Paris. Pierre Georgel, curator of the show at the Orangerie, said no specific dates had been set yet for his exhibition, which will consist of the museum's own collection of Monet's famous "Waterlilies" plus works that inspired the series.

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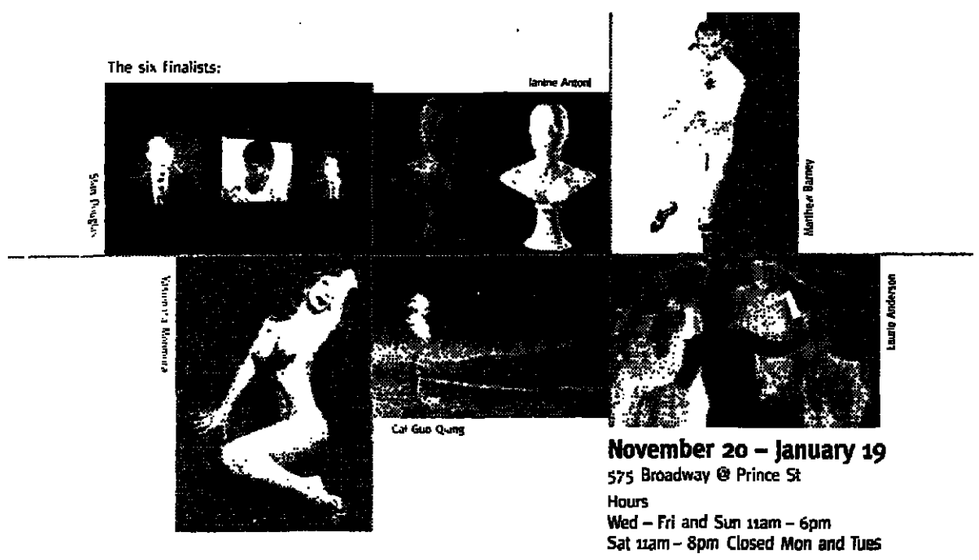

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Will Jobs Take New Bite at Apple?

Firm Reportedly to Pick Ex-Chairman for Mac Upgrade

Compiled by Our Staff From Dispatches

CUPERTINO, California — Apple Computer Inc. reportedly is turning to a co-founder and former chairman, Steven Jobs, to refurbish the operating software for its Macintosh personal computer.

Mr. Jobs will be hired as a part-time consultant and technology director for rebuilding the Mac software, a project crucial to Apple's future as a significant computer competitor, the Los Angeles Times reported Friday, citing unnamed sources.

Apple refused to comment on the report, saying it was talking with several companies about using their technologies in the next version of its Macintosh operating system and that no decision had been made.

"We have nothing to say," said a spokesman, David Harrah.

A representative of Pixar Inc., the film-animation company that Mr. Jobs founded after leaving Apple, said Mr. Jobs was away on vacation and could not be reached for comment.

A deal would be a remarkable reunion between Apple and the man who guided the development of the original Macintosh. Mr. Jobs co-founded Apple in 1976 but left nine years later in a power struggle with John Sculley, who was then chief executive.

Mr. Jobs went on to form Next Computer Co., whose sleek, black, powerful computers never caught on. In 1993, Next got out of the hardware business and started to concentrate on software.

He also founded Pixar, the computer animation company that created the film "Toy Story."

Apple will buy the Next operating software for a nominal fee from Mr. Jobs's company, which was chosen over Sun Microsystems Inc. and a start-up concern, Be Inc., the Times article said.

Apple's stock gained Friday, rising $1.25 to $23.50 on the Nasdaq stock market.

Next's software, used in high-end business computers, is admired for its object orientation, or ability to let parts of software programs be easily incorporated into other programs. It also is good at "multitasking," or running several different functions at once, and unlikely to crash — qualities that Macintosh users have long wanted.

Apple is betting that those features will help entice more software developers to write snazzy new applications programs for its computers, keeping the affections of the Mac faithful and attracting new users.

Apple this year scrapped plans for its Copland operating system, which was to have been the upgrade to the existing software that runs Macintosh PCs. The company has said it will unveil its strategy for a new operating system in early January.

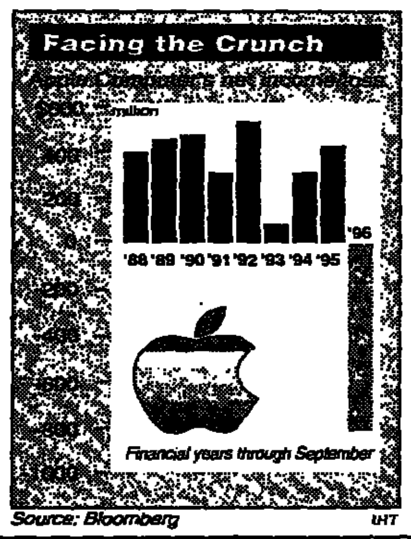
Apple, America's third-largest personal-computer company, hopes to give the Macintosh and itself a boost with the move. The Mac has lost ground as computers using chips from Intel Corp. and the Windows operating system from Microsoft Corp. eroded its traditional ease-of-use advantage.

Apple at the same time has lost market share. While it remains strong in such specialized areas as graphics and education, its overall share has sunk to single digits. During the past year it has replaced its management, undergone a reorganization, cut costs and laid off employees.

Apple returned to profitability this summer, but industry analysts say the company's long-term success depends largely on its new operating-system strategy. *(AP, Bloomberg)*

The Associated Press

Steven Jobs, co-founder of Apple.



Source: Bloomberg IHT

French Jobless Fund Will Raise Benefits And Cut Payroll Tax

By Barry James
International Herald Tribune

PARIS — Although there have not been as many people out of work in France as there are now since World War II, the country's main unemployment fund is awash with cash, and it agreed Friday with unions and employers to increase benefits and reduce payroll taxes.

Three years ago, the Union Nationale pour l'Emploi dans l'Industrie & le Commerce was more than 15 billion francs ($2.85 billion) in debt and embarked on a 10-year program to get its books in order by increasing taxes and curtailing benefits. Jean-Pierre Revoil, the deputy director-general, acknowledged that its efforts had overshot the mark and that the organization had not only returned to a sound financial footing years ahead of schedule but was piling up huge surpluses.

Last year, it managed a 22.4 billion franc surplus. This year, the surplus grew a further 11.2 billion francs. The organization forecasts surpluses of 13 billion francs in each of the next two years.

Asked how the body had achieved such good results while other social-security organizations were running deep deficits, Mr. Revoil said it was a combination of good management and a better-than-expected economic climate.

The government clearly would have liked to lay its hands on the surplus cash to cover losses in other aspects of the social-security system, such as old-age pensions and health. France has to reduce its deficit to 3 percent of state spending in 1997 to qualify for membership in the single European currency in 1999.

But Mr. Revoil said unions and employer organizations, which co-manage the fund, had agreed that the surplus should be distributed among contributors and the unemployed to encourage spending and help prime the economy for growth.

The fund covers about 14.3 million workers in private employment and agriculture but excludes public workers. It provides benefits for half of the 3.6 million unemployed people in France — most of the rest having exhausted unemployment benefits or being ineligible to receive them.

The three main employer groups and four of the five labor confederations agreed on a formula to increase benefits by an average of 10.5 percent and reduce contributions by employers and workers by the same percentage.

The last point, however, caused the Communist-led General Labor Confederation, or CGT, to refuse to sign the agreement. Its representative, Maurice Lamoot, said it was "indecent" to reduce the employers' contributions at a time of increasing inequality in society.

But Michel Jalmain of the left-of-center Democratic Labor Federation, or CFDT, said three-quarters of the surplus would go to workers and the unemployed and called the agreement "more than we had believed possible." Another union negotiator, Jean-Louis Walter, who represented white-collar workers, said, "It's true that it is easier to share out billions than to find savings."

As a result of the agreement, achieved after an all-night meeting, the basic monthly unemployment benefit will be increased to 3,100 francs from 2,805 francs. Measures taken to reduce France's budget deficit in 1992 lowered each individual's benefits by 17 percent after each four-month period of unemployment. Describing the reductions as unfair to the long-term unemployed, the negotiators agreed that benefits instead would be reduced in stages of six months.

Contributions will be reduced to 6.18 percent of gross pay from 6.6 percent, reducing the organization's revenue by 6.6 billion francs next year and 8.1 billion francs in 1998. Increasing benefits to the unemployed will cost it 6 billion francs in 1997 and 8.5 billion francs in 1998.

The negotiations took place against a backdrop of demonstrations as clowns and movie actresses faced off against riot police and dancers gyrated to the sound of rave, rock and rap music just outside the meeting venue. The protest was a surrealistic demonstration by theater people to defend their unemployment benefits.

International Copyright Pacts Approved for Internet

Compiled by Our Staff From Dispatches

GENEVA — Negotiators agreed Friday on two treaties to protect the earning power of rock stars, software writers and other creative people faced with the copying of their work over the Internet, the U.S. delegation chief said.

Only an accompanying report on one issue remained to be worked out, and its resolution was virtually a foregone conclusion, Bruce Lehman, a U.S. assistant commerce secretary, said.

The copyright accords, hammered out over the past three weeks by delegates from 160 countries, will serve as a weapon against pirates and will open a vast new means of legally distributing music, movies and even books in cyberspace, Mr. Lehman said.

The new copyright treaty, a supplement to the 1989 Bern Convention, "makes it clear that digital transmission and distribution of literary and artistic work will now be protected," he said, "and there will not be any loopholes."

In simple terms, this means that the singer Madonna, for instance, would be able to use the Internet to distribute her music, have copyrights for it and get paid for it, according to Jukka Liedes of Finland, the chairman of the talks.

"Madonna will now have the possibility for the first time to make her works available on the Internet and have her rights respected in the digital environment," he said.

The $40 billion-a-year music industry has said that digital transmission of recordings could represent a $2 billion market.

The conference was held under the auspices of the World Intellectual Property Organization, a UN group.

A third proposed treaty that was supposed to extend copyright protection to databases on the Internet was shunted aside during three weeks of negotiations after many countries said they were not ready to address it.

Opponents said the database proposal would change more than 100 years of copyright treaties by extending protection to facts, not just expression. This, they said, would give professional sports leagues and stock exchanges exclusive rights to their statistics.

A bitter struggle ran through the negotiation — and through the months leading up to it — over a provision that would have included bans on even temporary digital copies on the Internet without permission.

Telephone companies, Internet companies, libraries and schools opposed the provision, saying it would make them liable for any violation by users sending or receiving copyrighted material. They also said it raised technical problems because the Internet had to make temporary copies in computers along the way to function efficiently.

They said the provision would even have created a problem for "surfers" of the World Wide Web because any new page temporarily stored on a home computer so that it could be displayed could have been construed as a violation if it contained copyright material used without permission.

Mr. Lehman said the issue was being resolved by a statement explaining that traditional laws concerning reproduction of various materials applied to the Internet. An official of the Ad Hoc Coalition Group, a lobbying group representing on-line operators and telecommunications companies, welcomed the decision. *(AP, Reuters, AFP)*

ECONOMIC SCENE

Using Courts to Bash Foreign Firms

By Peter Passell
New York Times Service

NEW YORK — If free-market economists wrote their own fair trade law from scratch, the little known Antidumping Act of 1916 would not be a bad model. The law, which is still on the books, provides antitrust protection against predatory pricing by foreigners by sanctioning importers who sell at low prices in America with the intent of putting American competitors out of business.

But free-market types are hardly applauding a lawsuit brought by Geneva Steel of Utah contending that two importers of steel from Russia, China and Ukraine are violating the 1916 law.

The still-murky tale, as first told in The Rushford Report, a newsletter on international trade published in Washington, makes all too clear that in the highly politicized world of trade, the game is to use the law to circumvent market forces — not reinforce them.

When Ford Motor Co. and General Motors Corp. duel for sales, virtually anything goes. But the Tariff Act of 1930 sets a different standard for, say, Toyota Motor Corp. or Volkswagen AG. Foreigners are not permitted to sell below cost in the American market, an act defined as "dumping."

With the Commerce Department acting as judge and jury in antidumping cases, domestic producers can count on a friend in high places. The department has used creative accounting to assess huge penalties against everything from Colombian roses to Chinese honey to bomb-grade Russian uranium.

By contrast, the 1916 act is a model of equal justice. Federal courts, not the flag wavers at the Commerce Department, administer it.

To win a case, notes Patrick McCrory, a trade lawyer in Washington, a plaintiff "must prove an intention of seriously injuring or destroying a U.S. industry" — a standard so tough that it has never been met.

Geneva Steel, a 1987 spin-off from USX Corp. that has been losing money despite heavy investments in modernization, is following the tried-and-true antidumping route. The company is asking the Commerce Department to penalize steel from the offending exporters with tariffs ranging from 33 percent to 274 percent of the selling price.

But it has piqued the curiosity of trade and antitrust specialists by also invoking the 1916 act against the two companies — Ranger Steel Supply Corp. and Thyssen Steel — that actually imported the metal.

"It's absurd to imagine they can prove predatory intent," when dozens of producers, domestic and foreign, are ready to fill the market niche left by Geneva, said Alfred Kahn, a former adviser to President Jimmy Carter on economic regulation. Lawrence White, an economist at New York University's Stern School of Business, is even less diplomatic: "It's Loony Tunes," he concludes.

What, then, is going on here? One plausible motive is intimidation.

If the case gets as far as a jury in Geneva's home state of Utah, anything is possible — including a verdict that costs the defendants $100 million or more. Indeed, while Ranger's lawyer, Butch Armsteadt of O'Melveny & Myers, says the company has no intention of yielding, he concedes that his client is "betting the company" in contesting rather than settling the case.

Nicholas Tolerico, executive vice president at Thyssen, a German company with much deeper pockets than Ranger, has a different theory.

He speculates that Geneva is hoping the courts will lower the standard of proof of intent, making it unnecessary for plaintiffs to show how importers could eventually recoup their losses from predatory pricing. Should Geneva fail in court, he expects the company to ask Congress to make the 1916 act more user-friendly. After all, the argument goes, if the law does not shield American producers from foreign competition, it must not be working.

The real story here is how the anti-dumping laws have turned into a politicized weapon of special interests. The change is easy to understand: no longer protected by heavy tariffs or America's unchallenged technological dominance, domestic producers have looked for subtler barriers to imports. But the fact that consumers' interests in low prices have so little weight in the political equation is not easily forgivable.

Fortis to Buy MeesPierson From ABN

Compiled by Our Staff From Dispatches

UTRECHT, Netherlands — Fortis said Friday it would buy MeesPierson NV from ABN-AMRO Holding NV, a move that would give Fortis, the Belgian-Dutch bank and insurer, an instant presence in the investment advisory business.

Fortis said the 2.5 billion guilder ($1.43 billion) cash purchase, which may be partly financed by selling new shares, would lift per-share earnings next year for both its parent companies, Fortis Amev of the Netherlands and Fortis AG of Belgium.

ABN-AMRO would benefit by ridding itself of an in-house rival to its British investment bank, ABN-AMRO Hoare Govett.

The transaction is expected to be completed in the first quarter of 1997.

The acquisition, which Fortis and ABN-AMRO said they were pursuing in October, would make Fortis the fourth-largest bank in the Netherlands — it is now fifth — and the world's 14th-largest asset manager.

Fortis said its acquisition would give it "critical mass" in asset management as well as complementary banking activities in "attractive markets."

ABN-AMRO is the Netherlands' largest bank and dominates the market for managing security sales. Rabobank Nederland is the second-largest, ING Group NV is third, and Fortis's own VSB Bank is now fourth.

MeesPierson said in August that it expected 1996 operating profit to exceed the 182 million guilders made in 1995, when net profit came in at 250 million guilders. Net profit in the 1996 first half was 132 million guilders.

The company said Fortis Amev and Fortis AG together would furnish 2 billion guilders of the purchase price and that the remaining 500 million guilders would be borrowed.

Fortis AG is expected to pay its half of the price by issuing new shares.

Fortis AMEV said it would finance its part of the purchase by selling part of its investment portfolio.

On the Amsterdam Stock Exchange, Fortis Amev shares fell 1 guilder to close at 58.80, while ABN-AMRO advanced 1.90 to 110.80. In Brussels, Fortis AG shares rose 115 Belgian francs to 4,965 ($154.65).

Fortis is paying a high price for a company recovering from reorganizations, analysts said.

"I wish them a lot of luck," said Fokko Tuin, a manager with the merchant bank Kempen & Co. "A lot of work still has to be done. The organization is chaotic, and they haven't had a management for years."

(Bloomberg, Reuters, AFX)

Panel Partly Vindicates Former Kidder Trader

By Saul Hansell
New York Times Service

NEW YORK — Joseph Jett, the bond trader accused of creating $339 million in false trades at Kidder, Peabody & Co., won a partial vindication as an arbitration panel rejected Kidder's accusation that Mr. Jett had engaged in "fraud, breach of duty and unjust enrichment."

"For two a half years, the Kidder publicity machine classified Joseph Jett as a rogue trader, a crook, a fraud and a thief, and now a securities industry panel of arbitrators looks at all of the proof and has rejected all of Kidder's claims," said Kenneth Warner, Mr. Jett's lawyer. Kidder contends that Mr. Jett created false trades to increase his compensation and hide trading losses.

The panel of the National Association of Securities Dealers on Thursday awarded Mr. Jett the rights to the $5 million in his brokerage account, which Kidder froze after the supposedly false trades were discovered in 1994.

It gave him immediate access to $1 million in that account, with the disposition of the remainder subject to a hearing in January.

In a portion of the ruling that is in Kidder's favor, the panel said Mr. Jett was not entitled to $2.8 million in deferred compensation that he had said he should receive.

John Liftin, general counsel for Kidder, argued that the decision to deny Mr. Jett the deferred compensation indicated that the arbitrators had not fully rejected Kidder's case.

Kidder Peabody is a unit of General Electric Co., but it is in liquidation. Its continuing businesses have been sold to PaineWebber Group Inc.

Though the panel ruled in Mr. Jett's favor, that decision does not clear him entirely. The Securities and Exchange Commission has brought civil proceedings against Mr. Jett, accusing him of fraud. A ruling by an administrative law judge is due early next year.

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CURRENCY & INTEREST RATES

Cross Rates

Dec. 20

	$	£	D.M.	F.F.	Lira	D.Fl.	B.F.	S.F.	Yen	C$	Peseta
Amsterdam	1.7435	2.906	1.1222	0.3322	0.1141*	—	5.4465*	1.3064	1.5072*	1.2755	1.3325*
Brussels	32.09	53.43	20.61	6.10	2.0944*	18.3825	—	23.965	28.06*	23.535	24.45*
Frankfurt	1.5565	2.592	—	0.296	0.1017*	0.8909	4.853*	1.1642	1.362*	1.1377	1.1867*
London (a)	1.6667	—	2.5899	8.7452	2,546.97	2.9058	53.2344	2.2357	190.3872	2.2786	218.088
Madrid	131.124	218.099	84.27	24.944	8.57*	75.074	4.09	98.117	114.749*	95.914	—
Milan	1,529.85	2,546.49	983.45	291.40	—	875.50	47.691	1,144.49	13.398	1,117.70	11.676
New York (b)	—	1.6703a	1.5518	5.2375	1,526.00	1.7484	32.00	1.334	114.345	1.3677	130.81
Paris	5.2540	8.7435	3.3784	—	0.3435*	3.0098	0.164	3.9336	4.6004*	3.8452	4.009*
Tokyo	114.40	190.46	73.35	21.74	0.747	65.34	3.5585	85.47	—	83.66	0.8708
Toronto	1.368	2.2858	0.8816	0.2611	0.0896*	0.786	0.4275*	1.0251	1.1971*	—	1.045*
Zurich	1.3328	2.222	0.8592	0.2544	0.0872*	0.7658	4.1722*	—	1.1674*	0.9744	1.0280*
1 ECU	1.2473	0.7499	1.9407	6.5566	1,908.25	2.1785	39.9872	1.6668	142.525	1.7051	163.553
1 SDR	1.436	0.8623	2.2351	7.5405	2,196.93	2.508	46.0509	1.9196	164.129	1.9673	188.296

Closings in Amsterdam, London, Milan, New York, Paris, Toronto and Zurich, fixings in other centers.
*a: To buy one pound; b: To buy one dollar; *Units of 100; N.Q.: not quoted; N.A.: not available.*

Other Dollar Values

Currency	Per $	Currency	Per $	Currency	Per $	Currency	Per $
Argent. peso	0.9988	Greek drac.	247.73	Mex. peso	7.853	S. Afr. rand	4.672
Australian $	1.2574	Hong Kong $	7.737	N. Zealand $	1.4124	S. Kor. won	844.60
Austrian sch.	10.955	Hung. forint	164.67	Norw. krone	6.4725	Swed. krona	6.8341
Brazil real	1.038	Indian rupee	35.82	Phil. peso	26.29	Taiwan $	27.50
Chinese yuan	8.3275	Indo. rupiah	2357.85	Polish zloty	2.86	Thai baht	25.60
Czech koruna	27.37	Irish £	0.6042	Port. escudo	156.84	Turkish lira	105547.
Danish krone	5.9575	Israeli shek.	3.275	Russ ruble	5548.00	UAE dirham	3.6705
Egypt. pound	3.392	Kuw dinar	0.2999	Saudi riyal	3.75	Venez. boliv.	474.50
Fin. markka	4.6435	Malay. ringg.	2.5261	Sing. $	1.3994		

Forward Rates

Currency	30-day	60-day	90-day	Currency	30-day	60-day	90-day
Pound Sterling	1.6636	1.6623	1.6611	Japanese yen	113.75	113.28	112.83
Canadian dollar	1.3640	1.3611	1.3588	Swiss franc	1.3329	1.3291	1.3256
Deutsche mark	1.5538	1.5507	1.5480				

Sources: ING Bank (Amsterdam); Indosuez Bank (Brussels); Banca Commerciale Italiana (Milan); Banque de France (Paris); Bank of Tokyo-Mitsubishi (Tokyo); Royal Bank of Canada (Toronto); IMF (SDR). Other data from the Associated Press, Bloomberg and Reuters.

Libid-Libor Rates

Dec. 20

	Dollar	D-Mark	Swiss Franc	Sterling	French Franc	Yen	ECU
1-month	5 9/16 - 5 11/16	3 3/16 - 3 5/16	1 11/16 - 2 1/16	6 1/4 - 6 1/2	3 1/4 - 3 3/8	3/8 - 1/2	4 1/16 - 4 3/16
3-month	5 9/16 - 5 11/16	3 1/8 - 3 1/4	1 7/8 - 2 1/8	6 5/16 - 6 7/16	3 1/4 - 3 3/8	3/8 - 1/2	4 1/16 - 4 3/16
6-month	5 5/8 - 5 3/4	3 1/8 - 3 1/4	1 15/16 - 2 1/16	6 1/2 - 6 5/8	3 1/4 - 3 7/16	3/8 - 1/2	4 1/8 - 4 1/4
1-year	5 3/4 - 5 7/8	3 1/8 - 3 1/4	1 7/8 - 2 1/8	6 13/16 - 7 1/16	3 1/4 - 3 3/8	1/2 - 5/8	4 3/16 - 4 5/16

Sources: Reuters, Lloyds Bank.
Rates applicable to interbank deposits of $1 million minimum (or equivalent).

Key Money Rates

United States	Close	Prev
Discount rate	5.00	5.00
Prime rate	8 1/4	8 1/4
Federal funds	5 7/16	5 1/4
90-day CDs dealers	5.46	5.48
180-day CP dealers	5.25	5.28
3 month Treasury bill	4.90	4.86
1-year Treasury bill	5.21	5.19
2-year Treasury bill	5.83	5.81
5-year Treasury note	6.13	6.10
7-year Treasury note	6.22	6.20
10-year Treasury note	6.35	6.33
30-year Treasury bond	6.60	6.58
Merrill Lynch 30-day RA	4.94	4.93
Japan		
Discount rate	0.50	0.50
Call money	0.44	0.43
1-month interbank	0.53	0.53
3-month interbank	0.53	0.53
6-month interbank	0.56	0.56
10-year Govt bond	1.48	1.55
Germany		
Lombard rate	4.50	4.50
Call money	3.02	3.05
1-month interbank	3.30	3.30
3-month interbank	3.25	3.25
6-month interbank	3.24	3.24
10-year Bund	5.81	5.84

Britain	Close	Prev
Bank base rate	6.00	6.00
Call money	6.00	5 7/8
1-month interbank	6 1/8	6 1/8
3-month interbank	6 3/16	6 3/16
6-month interbank	6 1/4	6 5/16
10-year Gilt	7.61	7.60
France		
Intervention rate	3.15	3.15
Call money	3 1/4	3 5/16
1-month interbank	3 5/16	3 1/4
3-month interbank	3 5/16	3 1/4
6-month interbank	3 5/16	3 1/4
10-year OAT	5.78	5.80

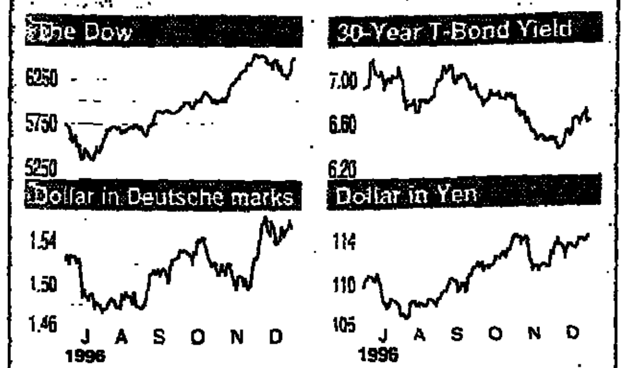
Sources: Reuters, Bloomberg, Merrill Lynch, Bank of Tokyo-Mitsubishi, Commerzbank, Credit Lyonnais.

Gold

	A.M.	P.M.	Ch'ge
Zurich	369.25	369.25	+ 0.10
London	369.20	369.00	Unch.
New York	370.70	370.50	— 0.60

U.S. dollars per ounce. London official fixings; Zurich and New York opening and closing prices; New York Comex (Feb.)
Source: Reuters.

Investor's America



Exchange	Index	Friday Close	Prev. Close	% Change
NYSE	The Dow	6484.40	6473.64	+0.17
NYSE	S&P 500	748.87	745.76	+0.42
NYSE	S&P 100	728.87	724.47	+0.61
NYSE	Composite	394.11	392.16	+0.50
U.S.	Nasdaq Composite	1288.54	1294.77	-0.48
AMEX	Market Value	582.01	578.53	+0.60
Toronto	TSE Index	5869.66	5844.30	+0.43
São Paulo	Bovespa	69422.40	68916.30	+0.73
Mexico City	Bolsa	3311.36	3330.14	-0.56
Buenos Aires	Merval	628.00	626.30	+0.27
Santiago	IPSA General	4893.33	4882.50	+0.22
Caracas	Capital General	6349.47	6245.38	+1.67

Source: Bloomberg, Reuters — International Herald Tribune

Very briefly:

Fed Eases Limits on Underwriting

WASHINGTON (AP) — The Federal Reserve Board agreed unanimously Friday to allow banks to earn more from underwriting stocks and bonds, the latest move by regulators to allow banks into Wall Street-type businesses.

The Fed increased the ceiling on the proportion of their earnings that banks could gain from securities underwriting to 25 percent from 10 percent. The expansion will take effect in 60 days. Congress declined again this year to pass legislation that would have ended most such restrictions on banks.

Earnings Estimates High, GM Says

NEW YORK (NYT) — General Motors Corp., looking at a variety of marketing, sales and production costs, is encouraging analysts to reduce their estimates of the company's fourth-quarter earnings.

Those costs include higher rebates, heavy spending on advertising, a slowing of car sales, slightly heavier loan losses and the effects of two large strikes. Most of the costs reflect the renewed competition GM faces from Japanese and European automakers.

- **Conrail Inc.** rejected **Norfolk Southern Corp.**'s sweetened bid of $115 share, or about $10.32 billion in cash. The Norfolk, Virginia, railroad company raised its hostile takeover bid for Conrail from $110 share after the markets closed Thursday.
- **Wells Fargo & Co.** plans to eliminate 3,800 jobs, or 10 percent of its staff, by October 1997 in continued cost-cutting related to its takeover of **First Interstate Bancorp.**
- **Chase Manhattan Corp.** and 12 other large financial institutions have set up a $6.1 billion credit line to be used by Argentina in the event of any future banking crisis.
- **The U.S. Air Force** named **Lockheed Martin Corp.** and **McDonnell Douglas Corp.** as finalists for a $1.4 billion contract to build the next generation of military rockets.

Bloomberg, AP

Mexico Sees a Growth Spurt

Reuters

MEXICO CITY — Upbeat reports on the Mexican economy this week suggest surprisingly strong growth in the fourth quarter, which could turn out to be part of the fastest sustained growth period in 15 years, economists said.

Industrial production, trade, retail sales and employment data just released suggest that the economy could grow 5 percent in the fourth quarter, compared with a year earlier.

If the data hold up, the quarter would give the country its longest sustained period of robust growth since 1980-81, when Mexico was "in full oil boom," said Carlos Rosales, an economist at Bancomer.

But it is an economic rebound that has not yet been felt by many Mexicans, and part of its apparent strength is due to the comparison with a nightmarish recession last year in the aftermath of the December 1994 peso crisis.

Still, analysts say there are indications of a recovery in the full sense of the word, with growth in employment, some wage recovery and the first hints of stronger consumer spending.

Analysts are forecasting that fourth-quarter growth in gross domestic product will be about 4.7 percent. But they had underestimated almost all the data released this week, and Mr. Rosales said 5 percent growth was "perfectly possible."

Industrial output in October rose 15.5 percent, well above the average forecast of 10.65 percent. Unemployment in November fell to 4.8 percent, its lowest level in 22 months, as more than 500,000 people found work. A 5.1 percent rate had been forecast.

Retail sales in Mexico rose 2.1 percent in October — analysts had predicted a 1.5 percent increase — and in revised October trade data released last week, both imports and exports surged, with imports of consumer goods hitting $712 million, up 52 percent from October 1995.

"It is a rebound from an intense fall, but also the progress has been very rapid," Mr. Rosales said. "It is not being induced by the public sector."

Gray Newman, an economist at HSBC James Capel, said he had raised his forecast of the fourth-quarter GDP growth rate to 5.5 percent as a result of the industrial-production data. He was more cautious about employment, saying that much of the jobs growth in October had been driven by the approach of the Christmas season and that such positions were likely to "evaporate" in January

"The problem with growth in Mexico is that it continues to be export-oriented," he said. "It provides very little employment. Most of the economy is in the service sector."

Enrique Ramirez, an economist at Santander Investments, said growth could top 5 percent in the fourth quarter if the expansion in industrial production continued to hum at a 10 percent to 11 percent rate in November.

He also forecast a recovery in spending, fueled by growth in employment and a rise in the minimum wage in December, that he said had been reflected in the import surge reported in the trade data.

"The rise in the minimum wage could improve wages as a whole in the coming months, which is going to cause a rise in consumption," he said.

Blue-Chips Seesaw As Tech Shares Slip

Compiled by Our Staff From Dispatches

NEW YORK — Blue-chip stocks ended a volatile day with modest gains Friday, while the broader market was held back by a decline in computer-related issues.

The Dow Jones industrial average closed at 6,484.40, up 10.76 points. Advancing issues led decliners by a 3-to-2 ratio on the New York Stock Exchange.

The 30-stock index shot up 75 points shortly after the opening, extending Thursday's gain of 126 points. It gave back almost all those gains before climbing higher a second time in late morning, then retreating again.

Stocks got a lift from a Treasury Department report that the U.S. budget deficit narrowed a better-than-expected 1.7 percent in November and from government figures showing the U.S. economy picking up speed after growing 2.1 percent in the third quarter.

"The market is still strong in here," said Kenneth Ducey, director of trading at BT Brokerage, a unit of Bankers Trust New York. "People are saying the economy is slowing down, but it's still in good shape," he said.

He added that the figures had given the Federal Reserve Board "no case" to raise interest rates, a situation that should help stocks.

Coca-Cola led the charge on the Big Board, rising 1¾ to 52⅞ after saying it expected unit sales to be up 10 percent in the fourth quarter.

Intel, the most active Nasdaq stocks, fell 2⅞ to 134⅝, leading a decline in technology issues that sent the Nasdaq Composite index 7.32 points lower, to 1,288.54.

A drop in Treasury bond yields in recent days amid signs of slowing economic growth and low inflation helped this week's rally. The benchmark 30-year Treasury bond fell 10/32 in price to 98 21/32, for a yield of 6.60 percent, up from 6.58 percent Thursday.

Consumer-related shares were among the most active stocks on the Big Board. In addition to Coca-Cola, PepsiCo gained ½ to 29¼, and WalMart rose ¼ to 23⅝.

Drug stocks also gained, with Merck shares rising 1⅜ to 82⅝ after the biggest U.S. drugmaker agreed to merge its animal-health business

U.S. STOCKS

with Rhone-Poulenc's similar division, creating the largest company in an $8 billion-a-year market. Rhone-Poulenc Rorer rose 1½ to 33⅞.

3M shares gained 2½ to 84¾. The company and other makers of silicone breast implants won a victory Thursday when a federal judge ruled that plaintiffs in a lawsuit had failed to produce any reliable scientific evidence that the implants had caused health problems in women. Among other implant makers, Bristol-Myers Squibb rose 3¼ to 112½, and Baxter International was unchanged at 41⅞.

Mobil rose ½ to 124½ and British Petroleum added ⅜ to 138¾ after the two said they saw bigger-than-expected savings from a joint venture.

Shares of four regional Bell operating companies rose after news that Alcatel Alsthom of France had signed multiyear contracts to help the companies offer high-speed data access services to customers. Ameritech rose 1¾ to 58⅜, Pacific Telesis Group rose ½ to 35½, SBC Communications rose 1⅛ to 50⅞, and BellSouth rose ⅜ to 38¼.

Dendrite International fell 11⅜ to 8 on the Nasdaq market after the software developer said it expected a loss for its fourth quarter because major customers had delayed purchases. *(Bloomberg, AP)*

Japan Misstated Chip Sales Data

By Andrew Pollack
New York Times Service

TOKYO — The government significantly overstated the share of its market held by foreign semiconductor companies in the first quarter of the year, at the time the United States and Japan were negotiating a new computer chip trade agreement.

Japanese officials said Friday that the mistake was unintentional. A U.S. official said that he, too, believed it was an honest mistake.

But some executives in the U.S. semiconductor industry are suspicious, saying the false figure might have contributed to the resulting trade agreement being weaker than it otherwise would have been.

The two governments announced Friday that foreign manufacturers held a 26.9 percent share of Japan's market in the first quarter, under the formula used by the American side. That was revised down from the 30.6 percent that was initially announced it June, when Tokyo and Washington were negotiating over whether to renew a five-year trade agreement that was to expire at the end of July.

Japan argued that no new agreement was necessary. It pointed to the 30.6 percent figure as evidence that its market was open. But some American executives say that if they had known that the foreign market share was only 26.9 percent in the first quarter, the negotiations might have different.

Dollar Slips, but Traders Call It Only a Year-End Breather

Bloomberg Business News

NEW YORK — The dollar slipped against most other major currencies except the yen Friday in trading that traders described as a pause in a rally fueled by expectations for steady U.S. economic growth with little inflation.

"People are basically done speculating for the year," said David Becker, senior currency trader at Bank Austria. "We'll probably remain on the sidelines ourselves."

The dollar finished at 1.5518 Deutsche marks, down from 1.5582 DM on Thursday.

The dollar's fortunes during its recent rise have been tied closely to U.S. financial markets.

"As we go into next year, the dollar is poised to move higher," said Thomas Benfer, director of foreign exchange at Bank of Montreal. "Stocks are strong, bonds are healthy, and we have the strongest economy on the face of the globe."

"The stock and bond markets will certainly be a strong consideration

FOREIGN EXCHANGE

for us," said Kevin Lawrie, manager of foreign exchange at Mellon Bank in Pittsburgh. "They're underpinning the dollar."

The U.S. government said Friday that the economy grew at a 2.1 percent annual rate in the third quarter. The price deflator — a measure of inflation — rose 1.7 percent, its smallest gain since 1992, suggesting that dollars were losing less of their value even as the economy grew.

The dollar gained slightly against the Japanese currency, to 114.345 yen from 114.300 yen Thursday, after the Bank of Japan indicated in its monthly report that it needed more time to confirm whether the Japanese recovery was strong enough to be led by private demand, according to Masayuki Matsushima, head of the central bank's research and statistics department.

Against other currencies, the dollar dropped to 1.3340 Swiss francs from 1.3390 francs and to 5.2375 French francs from 5.2505 francs.

The pound rose to $1.6703 from $1.6640.

AMEX

Friday's 4 p.m. Close
The top 300 most-active shares, up to the closing on Wall Street.
The Associated Press

Stock	Sales	High	Low	Latest	Chge
AMC	828	14¾	13⅞	14¼	—
ARC	175	3¾	3¹¹⁄₁₆	3¾	—1/16
ATT Fd	130	80¼	79⅝	79⅝	+1¾
AVIC Gp n	230	3½	3⅛	3⅜	—
AckGrp s	139	11⅝	11¼	11½	—
AdmRsc	164	12⅝	11	12	−1⅛
AdvMed	473	3⅝	3⅜	3⁷⁄₁₆	—⅛
AirWat	209	5⅝	5⅜	5⅞	—
AlamCo	179	11½	11⅛	11⅜	—
AHaagen	126	14⅝	14⅜	14⅜	—¼
Altin	230	1½	1⅜	1½	+⅛
Alphaln	118	9⅛	8½	8⅝	—⅛
Amdhl	4671	13½	12⅞	13¼	—
AExpl	146	15⅝	15⅜	15⅜	—⅛
AIM 85	120	14⅝	14⅜	14⅝	+⅛
AIM 86	115	13⅞	13⅝	13⅞	+⅛
AScIE	140	10⅝	10⅜	10⅞	+⅛
Ampal	407	4¹¹⁄₁₆	4⅝	4⅞	+1/16
Ampex n	3021	9⅞	9½	9¹¹⁄₁₆	+1/16
Andrea	383	11¼	11	11⅛	—
ArmorH n	138	8	7⅞	7⅞	—⅛
AstLiving	222	15⅛	14⅞	15⅛	+⅛
Astrotc	160	5¹¹⁄₁₆	5½	5⅝	—
Atlas wt	129	⅛	⅛	⅛	—
Audvox	12890	6⅛	5¹³⁄₁₆	6⅛	+⅛
AurorEl	436	1⅞	1⅝	1⅞	—
Autotote	3099	1½	1⅜	1⅜	+1/16
Axogen un	1094	24¾	23⅞	24	—⅞
Azco	954	1⅝	1½	1⁹⁄₁₆	—
BAT Ind	2427	16⅞	16¹¹⁄₁₆	16¹³⁄₁₆	—⅛
Baldw	747	2⅝	2⅜	2⅜	—1/16
BalIny	296	18⅝	18	18¼	—¼
BT dep	197	25½	25½	25½	+⅛
Bayou	317	2⅜	2⅜	2⅜	—⅛
BSJkn wt	125	½	⅜	7/16	—
BemaGold	1769	6	5⅞	5⅞	—1/16
BentPh	193	2¹¹⁄₁₆	2½	2⁹⁄₁₆	—1/16
BinkMf	134	39½	37⅞	39½	+1
BioR A s	239	29	28½	29	+1

U. S. STOCK MARKET DIARY

Indexes

Dow Jones

	Open	High	Low	Last	Chg.
Indus	6583.97	6548.99	6473.64	6484.40	-10.76
Trans	2278.48	2274.16	2265.67	2270.47	+14.80
Util	237.56	236.79	232.53	234.98	-2.45
Comp	2062.70	2054.13	2030.71	2038.91	+8.20

Standard & Poors

	High	Low	Close	Chg.
Industrials	886.84	875.59	878.09	+2.50
Transp.	545.78	539.72	544.41	+4.69
Utilities	201.93	198.45	199.98	+1.53
Finance	83.79	82.63	83.44	+0.81
SP 500	755.41	745.76	748.87	+3.11
SP 100	734.35	724.47	728.87	+4.40

NYSE

	High	Low	Last	Chg.
Composite	396.71	392.16	394.11	+1.95
Industrials	501.37	495.49	497.40	+1.91
Transp.	354.70	350.36	353.69	+3.21
Utility	257.87	254.34	256.22	+1.88
Finance	355.46	351.96	354.58	+2.62

Nasdaq

	High	Low	Last	Chg.
Composite	1301.14	1287.38	1288.54	—7.32
Industrials	1110.27	1099.52	1099.89	—5.99
Banks	1263.06	1260.10	1261.27	—2.17
Insurance	1433.78	1424.72	1432.36	+6.74
Finance	1580.88	1570.87	1580.88	+10.93
Transp.	892.69	887.82	891.36	+2.50

AMEX

	High	Low	Last	Chg.
	582.37	578.53	582.01	+3.48

Dow Jones Bond

	Close	Chg.
20 Bonds	103.87	+0.41
10 Utilities	100.95	+0.47
10 Industrials	106.78	+0.34

Most Actives

NYSE

	Vol.	High	Low	Last	Chg.
CocaCl s	105286	52¾	52¼	52⅞	+1¾
Hanson s	83448	6⅝	6⅜	6⅜	—
WalMart	74159	24⅛	23⅞	23⅝	+¼
PepsiCo s	69880	29½	29	29¼	+½
AT&T s	69236	40⅞	38⅝	39⅜	—⅛
GenElec	61991	104⅝	102⅝	102⅝	—⅛
Merck	54985	83⅜	82⅛	82⅝	+1⅜
JohnJn s	49366	52¼	49⅝	49⅝	—⅜
FordM	45979	32⅜	31¾	31⅞	+⅛
HewlPk s	45460	52⅜	50⅝	51½	—⅛
SvcMer	44817	4⅝	4⅝	4⅝	—⅛
GTE	42524	44	42⅝	43⅜	+1⅛
Exxon	42185	101⅛	99⅝	99½	—⅛
Motorola	41424	59	57⅛	57⅜	+¼
IBM	40023	158⅝	154⅛	154½	—3⅝

Nasdaq

	Vol.	High	Low	Last	Chg.
Intel	127537	138⅛	134⅛	134⅝	—2⅞
WorldCm s	112523	22⅝	22	22⅛	—
Microsft s	112107	85⅝	83⅞	83⅝	—1⅛
3Com	89316	80	75⅝	76⅞	+⅛
Cisco s	81611	66⅛	64⅜	65	—
DellCpt s	75918	59	54⅝	55	—3
Oracle s	72765	44	41⅝	43⅛	+1⅛
TeleComA	45177	13¾	12⅝	13½	+⅝
Informx	43416	22⅛	20⅛	21	—⅜
SunMic s	56297	30⅛	29⅝	29⅞	—1
MCI	48693	33	32	32⅛	—¼
AppleC	47753	23⅝	21⅞	23⅛	+1⅛
Dendrite	45229	9⅞	7⅝	8	—11⅜
ADC Tel s	44011	35⅛	30⅛	32	—3
ForeSys s	39046	32⅜	30⅝	32¼	—1

AMEX

	Vol.	High	Low	Last	Chg.
Hearx n	16583	2⅝	2½	2⅝	—⅛
SPDR	14910	75⅝	74⅝	74⅝	—⅛
Audvox	12890	6⅛	5¹³⁄₁₆	6⅛	+⅛
ViacB	10076	38	36⅝	37	+⅜
IvaxCp	7798	10⅝	10⅛	10⅛	—½
Han wtB	7730	⅛	⅛	⅛	—
EchoBay	7703	6⅞	6½	6¾	—1/16
Edltek	6556	1⅝	¾	⅞	—½
ForstLb	6543	32⅛	31½	32⅛	+2⅛
Thermed	5682	19⅝	18⅛	18⅝	+⅛

Trading Activity

NYSE

Not available at press time

Nasdaq

	Close	Prev.
Advanced	1878	2249
Declined	2158	1805
Unchanged	1735	1716
Total issues	5771	5770
New Highs	167	163
New Lows	128	139

AMEX

	Close	Prev.
Advanced	291	334
Declined	258	222
Unchanged	203	210
Total issues	752	766
New Highs	24	23
New Lows	17	28

Market Sales

	Today Close	Prev. cons.
NYSE	650.07	633.74
Amex	26.26	36.06
Nasdaq	577.66	645.67

In millions.

Dividends

Company	Per	Amt	Rec	Pay
IRREGULAR				
Imperial CredMtg	-	.55	12-31	1-15
Integrated Hlth	-	.02	12-31	1-10
Sterling Capital	-	.37	12-30	1-22
Telecm Argentina	-	1.2506	12-23	1-14
Telecm Argen B	-	.515	12-24	
STOCK				
Consol Products	-	10%	1-6	1-20
Franklin Bank	-	5%	1-7	1-24
STOCK SPLIT				
Aspect Telecomm 2 for 1 split.				
Crestar Fncl 2 for 1 split.				
IDEX Corp 3 for 2 split.				
New York Bcp 3 for 2 split.				
INCREASED				
Bedford Bcshs	Q	.12	12-30	1-9
Centerpoint Prop	Q	.42	2-21	3-10
Commrce Bcp	Q	.20	1-8	1-21
Crestar Fncl	Q	.54	2-3	2-27
InterWest Bcp	Q	.14	12-27	1-10
Long Island Bcp	Q	.15	1-15	2-14
Mine Safety Appl	Q	.31	2-21	3-10
New York Bcp	Q	.225	1-9	1-23
PAB Bkshs	Q	.075	12-31	1-15
INITIAL				
Greyhnd CdaTrns	-	.06	1-6	1-15
IDEX Corp new		.12	1-15	1-31
SPECIAL				
Reliable LfIns	-	.07	2-7	3-1
Ziegler Co	-	.30	1-6	1-17
REGULAR				
AbigailAdams NB.	Q	.10	12-31	1-31
Anheuser Busch	Q	.24	2-10	3-10
Bank SouCarolina	Q	.10	12-31	2-14
Calif St Bank	Q	.10	1-3	1-13
Capital Bcp Miami	Q	.0633	12-30	1-14
Central ME Pwr	Q	.225	1-10	1-31
Central ME Pwr	Q	.225	1-10	1-31
Cornwlth Engy Sys	Q	.385	1-15	2-1
Enron Liq Ppln	Q	.63	1-31	2-14
Gillette Co	Q	.18	2-3	3-5
Grove Bank MA.	Q	.18	12-31	1-13
Hardin Bcp	Q	.12	1-3	1-17
Harper Group	S	.12	2-14	2-14
Haven Bcp	Q	.15	12-30	1-17
Horizon Fncl	Q	.10	1-7	2-5
Morrison FrshCkg	Q	.09	1-10	1-31
Nynex Corp	Q	.59	1-10	2-1
Rockson Assoc	Q	.60	1-5	1-17
Secur Cap Atlant	Q	.39	2-6	2-19
Suburban Bcp OH.	Q	.15	12-31	1-14
Utd Natl Bcp	Q	.27	1-15	2-3
Wolf, Howard B.	Q	.08	1-7	2-7

a-annual; b-approximate amount per share/ADR; g-payable in Canadian funds; m-monthly; q-quarterly; s-semi-annual

Stock Tables Explained

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 percent or more has been paid, the years high-low range and dividend are shown for the new stocks only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.
a - dividend also extra (s). b - annual rate of dividend plus stock dividend. c - liquidating dividend. cc - PE exceeds 99.dd - called. d - new yearly low. dd - loss in the last 12 months. e - dividend declared or paid in preceding 12 months. f - annual rate, increased on last declaration. g - dividend in Canadian funds, subject to 15% non-residence tax. i - dividend declared after split-up or stock dividend. j - dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting. k - dividend declared or paid this year, an accumulative issue with dividends in arrears. m - annual rate, reduced on last declaration. n - new issue in the past 52 weeks. The high-low range begins with the start of trading. nd - next day delivery. p - initial dividend, annual rate unknown. P/E - price-earnings ratio. q - closed-end mutual fund. r - dividend declared or paid in preceding 12 months, plus stock dividend. s - stock split. Dividend begins with date of split. sls - sales. t - dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date. u - new yearly high. v - trading halted. vi - in bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies. wd - when distributed. wi - when issued/ ww - with warrants. x - ex-dividend or ex-rights. xdis - ex-distribution. xw - without warrants. y- ex-dividend and sales in full. yld - yield. z - sales in full.

INTERNATIONAL FUTURES

Dec. 20, 1996

Grains

	High	Low	Close	Chge	OpInt
CORN (CBOT) 5,000 bu minimum- dollars per bushel					
Mar 97	2.67½	2.64⅝	2.67	+0.01	148,037
May 97	2.69	2.66¼	2.68¼	+0.00½	54,173
Jul 97	2.70½	2.68	2.70¼	+0.00½	54,463
Sep 97	2.64½	2.62¼	2.63	—0.01	6,108
Dec 97	2.61¾	2.59¼	2.61¼	—0.00½	36,618
Est. sales N.A. Thu's. sales 40,918					
Thu's open int 303,126 off 3553					
SOYBEAN MEAL (CBOT) 100 tons- dollars per ton					
Jan 97	231.10	229.50	230.00	—0.10	23,055
Mar 97	223.30	221.80	222.20	—0.50	26,425
May 97	217.70	216.10	216.10	—1.10	16,078
Jul 97	216.60	215.10	215.20	—1.40	10,796
Aug 97	215.00	214.50	214.50	—0.50	2,128
Sep 97	213.00	210.50	210.50	—0.70	1,983
Est. sales N.A. Thu's. sales 20,915					
Thu's open int 82,289 off 1039					
SOYBEAN OIL (CBOT) 60,000 lbs- dollars per 100 lbs.					
Jan 97	23.30	23.06	23.07	—0.25	22,307
Mar 97	23.70	23.45	23.45	—0.23	32,386
May 97	24.00	23.77	23.80	—0.18	14,133
Jul 97	24.28	24.02	24.08	—0.19	10,286
Aug 97	24.40	23.40	24.15	—0.20	1,865
Sep 97	24.45	24.25	24.35	—0.08	1,569
Est. sales N.A. Thu's. sales 18,027					
Thu's open int 84,608 off 903					
SOYBEANS (CBOT) 5,000 bu minimum- dollars per bushel					
Jan 97	7.08¼	7.01½	7.02½	—0.05¼	40,301
Mar 97	7.04½	6.98	7.00½	—0.04	49,129
May 97	7.00	6.93	6.96	—0.04½	26,249
Jul 97	7.00½	6.94	6.95	—0.06¼	24,848
Aug 97	6.98½	6.92½	6.92¾	—0.06¼	2,987
Est. sales N.A. Thu's. sales 50,405					
Thu's open int 154,961 off 2054					
WHEAT (CBOT) 5,000 bu minimum- dollars per bushel					
Mar 97	4.00	3.92	3.93½	—0.06¼	32,496
May 97	3.74½	3.68¾	3.70	—0.04¾	6,278
Jul 97	3.48	3.40½	3.44	—0.04	19,794
Sep 97	3.53	3.45	3.46½	—0.05	900
Est. sales N.A. Thu's. sales 15,421					
Thu's open int 60,291 up 593					

Livestock

	High	Low	Close	Chge	OpInt
CATTLE (CMER) 40,000 lbs.- cents per lb.					
Dec 96	67.07	66.50	66.50	—0.20	2,983
Feb 97	64.15	63.40	63.57	+0.17	34,366
Apr 97	64.80	64.30	64.60	+0.15	22,824
Jun 97	62.78	62.40	62.47	+0.05	9,897
Aug 97	62.50	62.15	62.20		8,716
Oct 97	65.15	64.80	65.00	+0.15	5,969
Est. sales N.A. Thu's. sales 7,555					
Thu's open int 86,594 off 528					
FEEDER CATTLE (CMER) 50,000 lbs.- cents per lb.					
Jan 97	66.05	65.75	65.95	+0.20	3,516
Mar 97	65.95	65.45	65.90	+0.22	4,605
Apr 97	66.40	66.15	66.30	+0.10	1,888
May 97	66.95	66.70	66.90	+0.18	2,729
Aug 97	69.05	68.75	68.85	+0.08	1,704
Sep 97	68.85	68.65	68.82	+0.27	334
Est. sales N.A. Thu's. sales 1,332					
Thu's open int 15,149 off 2					
HOGS-Live(1/97 Lean) (CMER) 40,000 lbs.- cents per lb.					
Dec 96	59.40	58.25	58.50	—1.25	1,140
Feb 97	76.35	74.82	76.00	+0.83	13,845
Apr 97	72.35	71.30	72.08	+0.43	5,923
Jun 97	74.80	74.40	74.45	—0.15	5,098
Jul 97	71.85	71.30	71.40	—0.30	1,289
Aug 97	68.00	67.53	68.00	+0.03	880
Est. sales N.A. Thu's. sales 6,188					
Thu's open int 29,049 off 1878					
PORK BELLIES (CMER) 40,000 lbs.- cents per lb.					
Feb 97	78.90	76.40	78.90	+1.25	4,552
Mar 97	78.70	76.00	78.70	+1.70	882
May 97	79.00	76.85	79.00	+1.25	575
Jul 97	78.37	76.80	78.35	+0.50	479
Aug 97	73.50	73.00	73.10	—0.30	133
Est. sales N.A. Thu's. sales 967					
Thu's open int 6,621 up 70					

Food

	High	Low	Close	Chge	OpInt
COCOA (NCSE) 10 metric tons- $ per ton					
Mar 97	1383	1360	1380	+16	33,924
May 97	1404	1384	1402	+16	13,137
Jul 97	1424	1410	1425	+14	9,332
Sep 97	1444	1430	1443	+14	6,815
Dec 97			1463	+14	1,561
Est. sales N.A. Thu's. sales 4,268					
Thu's open int 83,470 up 980					
COFFEE C (NCSE) 37,500 lbs.- cents per lb.					
Mar 97	113.90	109.30	112.15	+1.95	16,134
May 97	111.20	106.90	109.60	+2.15	6,491
Jul 97	109.20	105.50	108.10	+2.15	2,076
Sep 97	108.00	104.70	106.10	+2.30	1,585
Est. sales N.A. Thu's. sales 9,424					
Thu's open int 27,939 off 149					
SUGAR-WORLD 11 (NCSE) 112,000 lbs.- cents per lb.					
Mar 97	10.79	10.68	10.69	—0.02	74,704
May 97	10.82	10.74	10.76		31,440
Jul 97	10.80	10.74	10.75		23,964
Oct 97	10.79	10.75	10.75		13,706
Est. sales N.A. Thu's. sales 29,746					
Thu's open int 151,252 up 1847					

Metals

	High	Low	Close	Chge	OpInt
ORANGE JUICE (NCTN) 15,000 lbs.- cents per lb.					
Jan 97	89.50	87.25	87.40	—0.80	8,402
Mar 97	93.15	90.30	90.75	—0.90	13,666
May 97	96.30	93.80	93.80	—1.05	3,438
Jul 97	98.75	97.00	97.50	—0.30	777
Est. sales N.A. Thu's. sales 5,000					
Thu's open int					
GOLD (NCMX) 100 troy oz.- dollars per troy oz.					
Dec 96	370.30	369.50	370.30	+0.40	295
Feb 97	371.40	370.20	370.50	—0.80	90,082
Apr 97	373.60	372.30	372.50	—0.80	22,359
Jun 97	375.90	374.60	374.60	—1.10	15,452
Oct 97	380.50	380.00	380.50	—0.20	2,487
Est. sales N.A. Thu's. sales 9,172					
Thu's open int 164,629 off 616					
HI GRADE COPPER (NCMX) 25,000 lbs.- cents per lb.					
Dec 96	104.00	102.80	102.60	—0.70	2,467
Jan 97	103.20	101.80	102.00	—0.30	5,796
Feb 97	101.70	100.40	100.40	—0.90	1,362
Mar 97	101.20	99.30	99.40	—0.90	21,084
Apr 97	98.20	98.20	98.20	—0.80	930
May 97	98.60	97.00	97.15	—0.45	4,279
Jun 97			96.20	—0.50	764
Jul 97	96.70	95.55	95.30	—0.50	3,505
Aug 97			94.55	—0.50	574
Est. sales N.A. Thu's. sales 9,580					
Thu's open int 52,386 off 566					
SILVER (NCMX) 5,000 troy oz.- cents per troy oz.					
Dec 96	486.5	480.0	481.0	—2.3	48
Mar 97	493.5	482.5	484.5	—4.0	54,691
May 97	499.0	488.0	489.0	—4.7	9,473
Jul 97	497.0	493.5	494.0	—3.6	8,373
Dec 97	512.0	505.0	505.0	—4.0	4,737
Est. sales N.A. Thu's. sales 6,062					
Thu's open int 82,470 off 132					
PLATINUM (NMER) 50 troy oz.- dollars per troy oz.					
Jan 97	377.00	373.80	375.20	+1.40	11,056
Apr 97	378.40	375.80	376.50	+0.90	14,520
Jul 97	381.00	380.50	380.50	+2.20	2,022
Oct 97	384.00	382.50	384.00	+3.00	2,089
Est. sales N.A. Thu's. sales 1,971					
Thu's open int 30,692 off 306					

LONDON METALS (LME) Dollars per metric ton

	Close		Previous	
Aluminum (High Grade)				
Spot	1507.00	1507½	1519½	1520½
Forward	1540.00	1541.00	1551.00	1552.00
Copper Cathodes (High Grade)				
Spot	2246.00	2247.00	2255.00	2260.00
Forward	2148.00	2149.00	2153.00	2154.00
Lead				
Spot	703.00	704.00	704.00	705.00
Forward	707.00	707½	707.00	707½
Nickel				
Spot	6590.00	6595.00	6675.00	6685.00
Forward	6700.00	6701.00	6775.00	6780.00
Tin				
Spot	5720.00	5724.00	5790.00	5800.00
Forward	5765.00	5770.00	5840.00	5850.00
Zinc (Special High Grade)				
Spot	1038½	1039.00	1034½	1035½
Forward	1061½	1062.00	1058.00	1059.00

Financial

	High	Low	Close	Chge	OpInt
US T. BILLS (CMER) $1 million- pts of 100 pct.					
Mar 97	95.00	94.97	94.98		4,861
Jun 97	94.87	94.87	94.87		2,479
Sep 97			94.74	+0.01	29
Est. sales N.A. Thu's. sales 663					
Thu's open int 6,567 off 75					
5 YR. TREASURY (CBOT) $100,000 prin- pts & 32nds of 100 pct					
Mar 97	107-055	106-28	106-31	+ 005	149,893
Jun 97			106-22	+ 005	2,498
Est. sales N.A. Thu's. sales 41,799					
Thu's open int 155,008 up 1469					
10 YR. TREASURY (CBOT) $100,000 prin- pts & 32nds of 100 pct					
Mar 97	109-30	109-17	109-21	+ 02	274,923
Jun 97	109-09	109-00	109-02	+ 02	10,382
Sep 97			108-19	+ 02	100
Est. sales N.A. Thu's. sales 98,847					
Thu's open int 292,921 off 1155					
US TREASURY BONDS (CBOT) (8 pct-$100,000-pts & 32nds of 100 pct)					
Mar 97	113-21	113-01	113-10	+ 05	451,586
Jun 97	113-05	112-17	112-25	+ 04	15,291
Sep 97			112-10	+ 04	5,316
Dec 97			111-28	+ 04	3,759
Est. sales N.A. Thu's. sales 427,906					
Thu's open int 485,571 up 2901					
LONG GILT (LIFFE) £50,000 - pts & 32nds of 100 pct					
Dec 96	110-04	110-01	110-00	+ 0-05	3,615
Mar 97	109-13	109-02	109-06	+ 0-04	132,988
Jun 97	N.T.	N.T.	108-16	+ 0-04	12
Est. sales: 20,451. Prev. sales: 32,138					
Prev. open int.: 136,615 off 173					
GERMAN GOVERNMENT BUND (LIFFE) DM250,000 - pts of 100 pct					
Mar 97	100.73	100.40	100.48	+ 0.16	220,341
Jun 97	N.T.	N.T.	99.57	+ 0.16	249
Est. sales: 65,023. Prev. sales: 99,888					
Prev. open int.: 220,590 off 1,096					
10-YEAR FRENCH GOV. BONDS (MATIF) FF500,000 - pts of 100 pct					
Mar 97	128.94	128.74	128.76	+0.24	125,113
Jun 97	127.60	127.44	127.46	+0.20	9,246
Sep 97	125.60	125.60	125.46	+0.20	0
Dec 97	N.T.	N.T.	94.96	—0.52	0
Est. volume: 72,484. Open int.: 181,948 off 1,104.					
ITALIAN GOVERNMENT BOND (LIFFE) ITL 200 million - pts of 100 pct					
Mar 97	129.15	128.45	128.60	— 0.12	89,027
Jun 97	128.50	128.50	128.12	— 0.13	1,320
Est. sales: 14,905. Prev. sales: 22,383					
Prev. open int.: 90,347 off 154					
EURODOLLARS (CMER) $1 million-pts of 100 pct.					
Jan 97	94.510	94.490	94.500	+ 10	21,483
Feb 97	94.480	94.470	94.480	+ 10	4,163
Mar 97	94.470	94.440	94.450		415,080
Jun 97	94.350	94.300	94.320		323,584
Mar 98	93.460	93.400	93.420	+ 10	30,259
Jun 00	93.400	93.340	93.340	+ 10	25,717
Sep 98	93.350	93.290	93.310	+ 10	31,163
Dec 00	93.270	93.210	93.230	+ 10	25,749
Est. sales N.A. Thu's. sales 352,689					
Thu's open int 2,070,123 up 10573					
BRITISH POUND (CMER) 62,500 pounds, $ per pound					
Dec 96			1.6536		7
Mar 97	1.6666	1.6588	1.6664	+48	25,202
Jun 97	1.6614	1.6550	1.6626	+48	2,152
Sep 97			1.6534		1,027
Est. sales N.A. Thu's. sales 10,826					
Thu's open int 28,488 off 211					
CANADIAN DOLLAR (CMER) 100,000 dollars, $ per Cdn. dlr					
Mar 97	.7368	.7347	.7352	—6	47,981
Jun 97	.7398	.7388	.7389	—5	11,021
Sep 97			.7421	—5	2,824
Dec 97			.7451	—5	294
Est. sales N.A. Thu's. sales 3,371					
Thu's open int 63,121 up 504					
GERMAN MARK (CMER) 125,000 marks, $ per mark					
Dec 96			.6491	+12	17
Mar 97	.6488	.6446	.6474	+15	47,528
Jun 97	.6515	.6498	.6513	+14	4,362
Sep 97			.6552	+13	1,693
Est. sales N.A. Thu's. sales 16,976					
Thu's open int 53,596 up 453					
JAPANESE YEN (CMER) 12.5 million yen, $ per 100 yen					
Dec 96			.009199	—25	8
Mar 97	.008878	.008848	.008854	—25	53,489
Jun 97	.008980	.008968	.008968	—25	1,399
Est. sales N.A. Thu's. sales 11,807					
Thu's open int 54,961 up 584					
SWISS FRANC (CMER) 125,000 francs, $ per franc					
Mar 97	.7574	.7520	.7551	+13	44,644
Jun 97	.7635	.7603	.7618	+13	1,383
Sep 97			.7686	+13	1,800
Est. sales N.A. Thu's. sales 16,496					
Thu's open int 47,827 up 892					
3-MONTH STERLING (LIFFE) £500,000 - pts of 100 pct					
Mar 97	93.30	93.27	93.29	+ 0.03	97,925
Jun 97	93.06	93.03	93.04	+ 0.03	86,756
Sep 97	92.88	92.84	92.86	+ 0.04	57,665
Dec 97	92.71	92.67	92.69	+ 0.04	43,712
Mar 98	92.61	92.56	92.57	+ 0.03	32,151
Jun 98	92.52	92.48	92.48	+ 0.03	22,104
Sep 98	92.45	92.41	92.39	Unch.	18,288
Dec 98	92.36	92.30	92.30	+ 0.01	16,416
Mar 99	92.29	92.25	92.25	+ 0.02	8,035
Jun 99	92.22	92.15	92.17	+ 0.01	5,477
Sep 99	92.14	92.12	92.11	+ 0.01	4,514
Dec 99	92.13	92.13	92.10	+ 0.02	14
Est. sales: 20,699. Prev. sales: 47,496					
Prev. open int.: 394,357 off 2,458					
3-MONTH EUROMARK (LIFFE) DM1 million - pts of 100 pct					
Mar 97	96.87	96.86	96.87	+ 0.01	212,886
Jun 97	96.83	96.80	96.81	+ 0.01	171,445
Sep 97	96.71	96.67	96.68	Unch.	139,007
Dec 97	96.51	96.47	96.49	+ 0.02	124,472
Mar 98	96.30	96.24	96.27	+ 0.04	82,497
Jun 98	96.01	95.97	95.98	+ 0.02	64,712
Sep 98	95.73	95.68	95.70	+ 0.04	61,429
Dec 98	95.40	95.37	95.39	+ 0.04	53,290
Mar 99	95.13	95.09	95.11	+ 0.04	35,204
Jun 99	94.86	94.80	94.83	+ 0.05	28,577
Sep 99	94.61	94.60	94.57	+ 0.05	14,408
Dec 99	94.31	94.28	94.29	+ 0.05	1,281
Est. sales: 54,955. Prev. sales: 126,922					
Prev. open int.: 983,558 up 12,168					
3-MONTH PIBOR (MATIF) FF5 million - pts of 100 pct					
Mar 97	96.71	96.69	96.69	+0.00	67,364
Jun 97	96.69	96.67	96.67	+0.01	34,904
Sep 97	96.62	96.59	96.60	+0.01	27,256
Dec 97	96.54	96.50	96.50	+0.02	20,073
Mar 98	96.38	96.36	96.37	+0.04	14,528
Jun 98	96.17	96.16	96.16	+0.04	12,277
Sep 98	95.91	95.87	95.90	+0.04	11,328
Dec 98	95.61	95.59	95.61	+0.04	8,146
Mar 99	95.30	95.29	95.31	+0.05	11,123
Jun 99	95.02	95.01	95.02	+0.05	5,900
Sep 99	94.75	94.75	94.76	+0.05	2,245
Dec 99	94.50	94.50	94.50	+0.06	400
Est. volume: 24,429. Open int.: 215,374 off 7.					
3-MONTH EUROLIRA (LIFFE) ITL 1 million - pts of 100 pct					
Mar 97	93.65	93.58	93.61	+ 0.02	93,209
Jun 97	94.02	93.97	93.99	+ 0.03	53,767
Sep 97	94.14	94.12	94.13	+ 0.02	29,922
Dec 97	94.17	94.12	94.13	+ 0.03	15,953
Mar 98	94.11	94.06	94.07	+ 0.03	12,644
Jun 98	94.01	93.97	93.99	+ 0.04	2,168
Est. sales: 73,640. Prev. sales: 17,872					
Prev. open int.: 207,563 off 226					

Industrials

	High	Low	Close	Chge	OpInt
COTTON 2 (NCTN) 50,000 lbs.- cents per lb.					
Mar 97	74.15	73.80	74.10	+0.30	24,453
May 97	77.30	77.00	77.30	+0.36	11,395
Jul 97	78.05	77.80	78.05	+0.22	7,702
Dec 97	77.30	76.90	77.05	+0.05	9,484
Mar 98	77.85	77.80	77.85	—0.05	483
Est. sales N.A. Thu's. sales 6,500					
Thu's open int					
HEATING OIL (NMER) 42,000 gal- cents per gal					
Jan 97	73.90	72.50	72.80	—0.98	27,843
Feb 97	72.75	71.70	71.70	—0.90	30,993
Mar 97	69.85	68.90	68.90	—0.80	13,357
Apr 97	65.65	65.25	65.25	—0.25	8,720
May 97	62.25	62.00	62.00	—0.20	4,311
Jun 97	60.10	59.90	60.00	—0.10	5,077
LIGHT SWEET CRUDE (NMER) 1,000 bbl.- dollars per bbl.					
Feb 97	25.50	25.05	25.08	—0.37	102,245
Mar 97	24.75	24.40	24.44	—0.32	25,580
Apr 97	24.08	23.80	23.80	—0.30	20,883
May 97	23.45	23.21	23.17	—0.28	17,396
Jun 97	22.85	22.65	22.56	—0.27	26,678
Jul 97	22.22	22.12	22.02	—0.27	14,201
Aug 97	21.68	21.68	21.58	—0.27	13,039
Sep 97	21.27	21.25	21.18	—0.27	12,935
Oct 97	20.95	20.95	20.80	—0.27	8,656
Nov 97	20.63	20.63	20.47	—0.27	8,734
Dec 97	20.44	20.32	20.19	—0.27	24,484
Jan 98	20.23	20.27	20.00	—0.27	8,038
Feb 98	20.04	20.06	19.81	—0.27	5,038
Est. sales N.A. Thu's. sales 118,334					
Thu's open int 361,745 off 6833					
NATURAL GAS (NMER) 10,000 mm btu's, $ per mm btu					
Jan 97	4.600	4.370	4.550	+141	28,878
Feb 97	3.960	3.730	3.900	+70	32,758
Mar 97	3.270	3.160	3.250	+42	17,752
Apr 97	2.610	2.540	2.590		10,615
May 97	2.380	2.340	2.350	—10	7,499
Jun 97	2.288	2.255	2.265		7,044
Jul 97	2.268	2.240	2.260	+5	6,917
Aug 97	2.280	2.240	2.250		6,402
Sep 97	2.250	2.240	2.250		6,175
Oct 97	2.255	2.248	2.250	—5	6,226
Nov 97	2.348	2.330	2.340	+5	3,515
Est. sales N.A. Thu's. sales 46,327					
Thu's open int 164,036 up 1955					
UNLEADED GASOLINE (NMER) 42,000 gal- cents per gal					
Jan 97	71.25	69.60	70.00	—1.22	17,968
Feb 97	70.25	68.95	69.00	—0.98	24,178
Mar 97	69.25	68.45	68.60	—0.73	11,339
Apr 97	70.70	70.10	70.10	—0.68	5,138
May 97	69.85	69.60	69.85	—0.38	3,341
Jun 97	68.70	68.20	68.70	+0.02	3,015
Est. sales N.A. Thu's. sales 23,628					
Thu's open int 66,891 up 1714					
GASOIL (IPE) U.S. dollars per metric ton - lots of 100 tons					
Jan 97	217.50	215.00	215.00	— 2.75	26,574
Feb 97	215.25	213.25	213.50	— 0.75	14,073
Mar 97	208.25	206.50	207.75	+ 0.50	8,057
Apl 97	200.25	198.25	199.50	+ 1.25	6,492
May 97	194.25	192.75	193.50	+ 1.00	2,900
Jun 97	188.00	186.00	188.50	+ 0.50	7,577
Jul 97	187.75	186.50	187.00	+ 0.25	2,484
Aug 97	N.T.	N.T.	186.50	+ 0.25	800
Sept 97	186.00	185.50	186.00	+ 0.25	418
Oct 97	N.T.	N.T.	185.50	+ 0.50	891
Nov 97	N.T.	N.T.	185.25	+ 0.50	47
Est. sales: 21,000. Open int.: 72,647 off 408					
BRENT OIL (IPE) U.S. dollars per barrel - lots of 1,000 barrels					
Feb 97	23.94	23.46	23.46	— 0.32	58,723
Mar 97	23.32	22.90	22.91	— 0.37	31,868
Apr 97	22.70	22.35	22.35	— 0.34	15,373
May 97	22.00	21.87	21.78	— 0.24	11,003
June 97	21.41	21.25	21.22	— 0.22	12,486
July 97	20.94	20.83	20.75	— 0.19	10,112
Aug 97	N.T.	N.T.	20.35	— 0.16	2,194
Sep 97	20.06	20.05	20.00	— 0.15	4,945
Oct 97	19.71	19.71	19.67	— 0.15	2,897
Nov 97	19.41	19.41	19.37	— 0.15	2,157
Est. sales: 23,512. Open int.: 154,630 off 594					

Stock Indexes

	High	Low	Close	Chge	OpInt
S&P COMP. INDEX (CMER) 500 x index					
Mar 97	765.00	752.75	755.70	+2.20	180,869
Jun 97	770.00	761.50	762.70	+2.80	5,389
Sep 97	776.00	769.50	772.50	+5.70	1,406
Est. sales N.A. Thu's. sales 119,075					
Thu's open int 253,685 off 128					
FTSE 100 (LIFFE) £25 per index point					
Dec 96	4108.0	4071.0	4078.0	+ 28.0	17,513
Mar 97	4115.0	4073.0	4078.0	+ 14.5	50,085
Jun 97	N.T	N.T	4100.0	+ 14.5	2,594
Est. sales: 25,197. Prev. sales: 35,156					
Prev. open int.: 70,169 up 1,544					
CAC 40 (MATIF) FF200 per index point					
Dec 96	2295.5	2277.0	2280.0	+25.00	22,754
Jan 97	2299.5	2282.0	2284.0	+25.00	8,377
Feb 97	2298.0	2289.5	2289.0	+24.50	1,615
Mar 97	2308.0	2293.0	2294.5	+25.00	12,172
Jun 97	N.T.	N.T.	2264.0	+25.00	365
Sep 97	N.T.	N.T.	2267.5	+25.00	4,320
Mar 98	N.T.	N.T.	2303.0	+25.00	4,468
Sep. 98	N.T.	N.T.	2279.5	+25.00	660
Est. volume: 23,753. Open int.: 56,937 up 1,452.					

Commodity Indexes

	Close	Previous
Moody's	1,438.90	1,435.60
Reuters	N.A.	1,902.80
D.J. Futures	146.83	147.13
CRB	245.70	246.24

Spot Commodities

	Today	Prev.
Aluminum, lb	0.689	0.677
Copper electrolytic, lb	1.08	1.06
Iron FOB, ton	167.00	167.00
Lead, lb	0.50	0.50
Silver, troy oz	4.83	4.86
Steel (scrap), ton	109.17	109.17
Tin, lb	3.9221	3.9114
Zinc, lb	0.5238	0.522

Sources: Matif, Associated Press, London Int'l Financial Futures Exchange, Int'l Petroleum Exchange.

CS Holding to Take $3.8 Billion Charge As Bad Loans Mount

Compiled by Our Staff From Dispatches

ZURICH — CS Holding said Friday it would take a charge of 5.1 billion Swiss francs ($3.81 billion) to cover bad loans, joining its major Swiss rivals in preparing for a flood of sour loans as the domestic economy flounders.

CS Holding said the charge, the biggest taken by a Swiss bank this year, would lead to a net loss of 2.1 billion francs this year. The company had a net profit of 1.54 billion francs last year.

Separately, the bank holding company said it would sell part of its 44.5 percent stake in Elektrowatt AG, an electricity company, as part of a restructuring announced in July.

CS Holding shares closed unchanged at 137.00 francs on the Zurich Stock Exchange. Elektrowatt shares fell 4 to 525.

Swiss Bank Corp. and Union Bank of Switzerland have already said they will have a net loss this year after taking charges of several billion francs for bad loans as the enters its seventh year of stagnation.

"CS Holding seized the opportunity after SBC's and UBS's announcements," said Christoph Bieri, an analyst at Zuercher Kantonalbank. "If CS had been more hesitant, the charges would just have piled up next year."

UBS said it would take a total of 4.4 billion francs in charges this year, after SBC's announcement of a 3.3 billion-franc charge.

Since 1989, Swiss banks have had to put aside a total of 25 billion francs for losses on Swiss loans and real estate, according to a recent study by Hans Kaufmann, an economist at Bank Julius Baer & Co. in Zurich.

The size and number of losses could rise next year as more Swiss companies go out of business. So far this year, 3,880 companies have gone out of business, 9.6 percent more than in the first 11 months of 1995. The economy is expected to grow about 0.5 percent next year, after an expected contraction of 0.7 percent this year.

CS Holding said it would reduce its stake in Watt AG, the electricity unit soon to be spun off from Elektrowatt, to 15 percent from 44.5 percent. It said it would sell its stake to a group of Swiss and German companies that would make an offer for all of Watt AG after the spin-off.

The sale of the Watt stake will result in a book profit of about 1 billion francs, which will help pay for a reorganization and the streamlining of the company, CS Holding said.

CS Holding said in July it would take a charge of about 1 billion francs this year to reorganize, streamline various units and eliminate 5,000 jobs worldwide.

CS Holding said Friday it expected a 1996 profit before one-time charges of 1.8 billion francs, about 17 percent higher than 1995. That profit figure includes a regular 1.2 billion franc charge for 1996 loan losses. The other 3.9 billion francs of the 5.1 billion francs in total charges represents extraordinary items.

CS Holding also said it planned to keep its dividend steady at 4 francs a share. *(Bloomberg, Reuters)*

Germany Drops Inquiry on Charges Against Daimler

Compiled by Our Staff From Dispatches

STUTTGART — Prosecutors said Friday they had dropped an investigation of charges that top managers of Daimler-Benz AG deliberately misled investors about the company's financial condition in 1995.

"The investigation did not confirm the accusation of deliberate false presentation of the financial condition of the company," the Stuttgart prosecutor's office said. The charges had been filed by a shareholder against executives including the company's former CEO, Edzard Reuter; its current chief executive, Juergen Schrempp, and its chief financial officer, Manfred Gentz.

They were accused of having led shareholders to expect a profit for 1995. Instead, Daimler posted a net loss of 5.7 billion Deutsche marks ($3.66 billion). *(Bloomberg, AFX)*

Prodi Considers a Minibudget

Italy May Need Extra Spending Cuts to Join EMU

Compiled by Our Staff From Dispatches

ROME — Prime Minister Romano Prodi hinted Friday that Italy may need to introduce a supplementary budget based on spending cuts early next year to meet the conditions for joining the single European currency.

Mr. Prodi said he would not know whether such an emergency budget would be needed until government accountants issued a report in late February on the country's deficit. The Maastricht treaty on European unity requires countries joining the single currency to have a deficit of no more than 3 percent of gross domestic product.

Italy's 1997 budget, now before the lower house of Parliament for final approval, is designed to cut next year's deficit by 62.5 trillion lire ($40.85 billion). But Mr. Prodi acknowledged that the measures would not quite meet the single-currency target.

Many economists and the opposition say a supplementary budget will be inevitable. The current budget plan has been criticized as relying too heavily on revenue-raising measures, including an unpopular one-time "Eurotax." Mr. Prodi said the cabinet had decided that a possible minibudget "must touch only reductions in spending."

Mr. Prodi reiterated his government's determination to meet the Maastricht targets next year to ensure Italy's participation in Europe's economic and monetary union from its beginning in 1999.

"I've based the entire strategy of my government on that," he said at a news conference, adding that Italy was essential to the success of the currency union.

"EMU cannot be born without Italy," he said.

Mr. Prodi said a continued decline in interest rates would reduce the size of any eventual emergency budget, adding that declining rates had already cut next year's projected spending by 7 trillion lire.

"If it is needed, it will be much less than some of the numbers that have been thrown around in Italy," he said. "The International Monetary Fund mentioned that 14 trillion lire may be needed.

"What I can guarantee is that if the maneuver is necessary, it will be done solely with cuts to spending and not from higher taxes."

Mr. Prodi ruled out cuts in pension spending, but he warned that Italians should no longer count on early retirement and said the qualifying age for pensions should be raised.

"In the face of restricted resources, we should raise the working age," Mr. Prodi said. "We can no longer continue with early pensions."

The government's goal is to get the deficit down to 3 percent of gross domestic product from 6.6 percent this year and thus hit the main target for qualifying for the single European currency, due to be introduced in 1999. *(Reuters, Bridge News, Bloomberg)*

Bonn Sees 4 Million Jobless in '97

Compiled by Our Staff From Dispatches

BONN — Unemployment in Germany may soar above 4 million people next year because hiring remains depressed even as economic growth picks up, Economics Minister Guenter Rexrodt said Friday.

"Employment will keep falling for the time being, and there is a great worry that the jobless rolls will considerably exceed the 4 million mark for a time this winter," Mr. Rexrodt said.

Some 3.9 million Germans were looking for work in November, an increase from 3.6 million a year earlier. Economists blame high payroll costs and inflexible work rules for deterring hiring.

Mr. Rexrodt also said the economy would expand around 1.5 percent this year, accelerating to a pace "clearly above 2 percent" in 1997, when Germany must qualify for the planned European currency.

Mr. Rexrodt called for cuts in taxes, differentiated wage scales and the loosening of restrictions on firing as ways of promoting competitiveness. He said the cost of social contributions would rise to 41.8 percent of wages in 1997 from 40.9 percent this year.

Separately, Mr. Rexrodt said he was confident of reaching a resolution in January of Bonn's dispute with the European Commission over state aid for Volkswagen AG. Germany and the commission have been at odds over aid given to Volkswagen by the state of Saxony in violation of a commission ruling. *(Bloomberg, Reuters)*

Debt-Trading Rules Altered 'for Europe'

Reuters

FRANKFURT — The Finance Ministry unveiled a key change Friday in the way German debt can be traded, bringing it into line with international standards and further improving the country's status as a leading financial center.

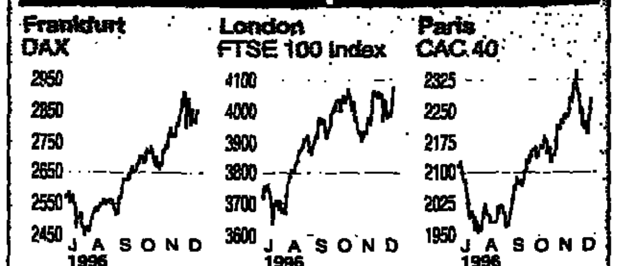
The Bundesbank said Bonn had permitted bond dealers to strip 10- and 30-year bonds as of July. This means the bond can be split into its principal and its coupon. The two are then sold separately, the principal as zero-coupon securities.

Although the government and the central bank have considered permitting bond-stripping for years, the impending European currency union likely spurred the final decision.

"Germany did this for Europe," said Heinz Gunasekera, bond analyst at UBS Ltd. in Frankfurt.

The step is one of many taken in Germany to overhaul the financial market and provide hands-on training with new products, analysts said.

Investor's Europe



Exchange	Index	Friday Close	Prev. Close	% Change
Amsterdam	EOE	832.71	825.56	+1.14
Brussels	BEL-20	1,885.13	1,868.58	+0.89
Frankfurt	DAX	2,854.46	2,807.75	+1.66
Copenhagen	Stock Market	464.15	461.28	+0.62
Helsinki	HEX General	2,451.75	2,433.39	+0.75
Oslo	OBX	517.83	518.14	+1.51
London	FTSE 100	4,077.60	4,051.30	+0.65
Madrid	Stock Exchange	428.57	423.42	+1.22
Milan	MIBTEL	10,461.00	10,478.00	-0.16
Paris	CAC 40	2,278.53	2,248.70	+1.33
Stockholm	SX 16	2,471.05	2,454.44	+0.68
Vienna	ATX	1,127.45	1,120.22	+0.65
Zurich	SPI	2,481.68	2,475.46	+0.25

Source: Telekurs — International Herald Tribune

Very briefly:

- **British Petroleum Co.** and **Mobil Corp.** said it would cost more than expected to merge their European refining and lubricants businesses; Mobil said the cost would cut its fourth-quarter earnings by $145 million, while BP expects its fourth-quarter profit to be cut by $430 million after taxes.
- **The European Commission** is ready to clear the Uniworld telecommunications alliance between **AT&T Corp.** and the **Unisource** venture involving the major phone companies of the Netherlands, Spain, Sweden and Switzerland.
- **Spain's** cabinet approved the sale of the state's remaining 21 percent stake in **Telefonica de Espana SA**; the sale will begin in January and is expected to be concluded by Feb. 10. Retail shareholders will be given a 4 percent discount and get one free share for every 20 shares bought and held for one year.
- **AMEC PLC**, a British construction company, agreed to buy between 40 percent and 48.6 percent of France's **Spie Batignolles SA** from **Schneider SA**; Spie employees will buy the remainder. Schneider, a French electronics company, will receive 350 million francs ($66.6 million) for the electrical and construction company and a further 650 million francs for a company it jointly owned with Spie.
- **Lonrho PLC** said **Anglo American Corp.** had told it that the European Commission had provisionally decided to order Anglo American not to exercise the voting rights attached to certain Lonrho shares it held.
- **Dassault Aviation SA**, the French warplane maker, said merger talks the with state-owned company **Aerospatiale** were on track and that a joint proposal had been given to the government outlining their proposed alliance.
- **Britain's Office of National Statistics** revised its estimate of third-quarter economic growth to 0.7 percent from 0.8 percent; the annual rate was unchanged at 2.4 percent.
- **Axa SA** received clearance from the European Union to acquire **UAP SA**, also a French insurer. *Bloomberg, AFX, Reuters*

WORLD STOCK MARKETS

Friday, Dec. 20
Prices in local currencies.
Telekurs

Amsterdam
EOE Index: 832.71 — Previous: 825.56

	High	Low	Close	Prev.
ABN-AMRO	111.50	109.80	110.80	108.90
Aegon	99	96.70	98.70	96
Ahold	109.20	107.60	108.30	107.30
Akzo Nobel	235.70	233.90	234.50	232.10
Baan Co.	59.90	58.90	59.20	58.80
Bols Wess cva	32	31.20	31.40	31.50
CSM cva	95.30	93.70	94.40	90.30
Dordtsche Pet	313.50	310.10	311.70	310
DSM	168.50	167.30	167.80	167
Elsevier	28.80	28.20	28.50	28.10
Fortis Amev	58.80	57.60	58.80	57.80
Gettronics	46.10	45.30	45.80	45.50
G-Broc cva	52.20	51.50	52.20	51.60
Hagemeyer	139.90	138	139.40	138.50
Heineken	304.80	301.20	301.20	302.10
Hoogovens cva	72.40	71.80	72.30	72.40
Hunt Douglas	117.80	116.40	117.50	117
ING Group	60.80	60.10	60.40	59.80
KLM	48.10	47.20	47.20	47.60
KNP BT	36.30	35.30	35.90	35.20
KPN	65.30	64.70	65.20	64.70
Nedlloyd Gp	46.80	46.20	46.80	46
Nutricia	269	262.50	263.40	263.50
Oce Grinten	186	184.20	185.90	183.50
Philips Elec	70.40	69.70	69.80	69.90
Polygram	87.20	84.60	85.30	85.70
Randstad Hdg	129.50	128.10	129	128
Robeco	141.90	141.20	141.90	138.70
Rodamco	49.50	49.30	49.50	49.20
Rolinco	147.50	147	147.50	144.40
Rorento	105.60	105.30	105.50	105
Royal Dutch	298.80	295.70	295.70	293.60
Unilever cva	299.80	294.80	298.20	291.40
Vendex Intl	71.90	70.70	70.70	71
VNU	35.20	34.50	35.10	34.60
Wolters Kl cva	226	223.80	225.30	223.80

Bangkok
SET Index: 816.79 — Previous: 832.66

	High	Low	Close	Prev.
Adv Info Svc	242	228	228	242
Bangkok Bk F	272	264	268	276
Krung Thai Bk	51	48.25	48.75	52
PTT Explor	370	362	370	378
Siam Cement F	888	756	764	820
Siam Com Bk F	195	173	180	196
Telecomasia	54.50	52	52.50	53.50
Thai Airways	41.75	36	36.75	40
Thai Farm Bk F	189	164	170	190
Utd Comm	165	155	163	168

Bombay
Sensex 30 Index: 3110.19 — Previous: 3035.91

	High	Low	Close	Prev.
Bajaj Auto	850	817.50	843.50	814
Hindust Lever	819	804.25	818.50	806.50
Hindust Petm	341	334.50	337.50	336.25
Ind Dev Bk	88	85.75	87.50	88
ITC	299	286	296.75	285
Mahanagar Tel	236	231.50	225.25	231
Reliance Ind	205.25	197.50	205	197.50
State Bk India	229	222	228	221.50
Steel Authority	19.25	18	19.25	17.75
Tata Eng Loco	351	340.25	341.75	342.50

Brussels
BEL-20 Index: 1885.13 — Previous: 1868.58

	High	Low	Close	Prev.
Almanij	10475	10400	10475	10425
Barco Ind	5500	5380	5500	5380
BBL	6640	6590	6640	6550
Bekaert	19575	18925	19500	18550
CBR	2870	2850	2865	2805
CNP	1950	1950	1950	1940
Cobepa	1220	1204	1210	1218
Cockerill	116	112	112	113
Colruyt	14675	14250	14475	14200
Delhaize Lion	1850	1830	1840	1815
Electrabel	7640	7550	7640	7550
Electrafina	3010	2990	3000	3000
Fortis AG	5000	4920	4965	4850
Gevaert	2065	2010	2010	2020
GIB	1436	1416	1424	1422
GBL	4150	4090	4090	4125
Gen Banque	11800	11500	11525	11625
Kredietbank	10350	10150	10200	10000
Petrofina	10650	10350	10375	10375
Powerfin	4790	4740	4770	4720
Royale Belge	6750	6430	6460	6410
Soc Gen Belg	2465	2430	2450	2435
Solvay	19575	19350	19425	19475
Tractebel	14900	14625	14650	14675
UCB	83350	81200	81250	80600
Union Miniere	2180	2155	2165	2165

Copenhagen
Stock Index: 464.15 — Previous: 461.28

	High	Low	Close	Prev.
BG Bank	275	265	272	267
Carlsberg B	385	378	385	380
Codan Fors	790	790	790	790
Danisco	350	340	350	341
Den Danske Bk	459	452	457	452
D/S Svendborg B	217000	211000	215000	212000
D/S 1912 B	151000	147000	149000	147000
FLS Ind B	760	740	750	745
Kob Lufthavne	610	595	603.50	600
Nvo Nordisk B	1073	1039	1040	1042
Sophus Ber B	747	741	744.60	742
Tele Danmk B	314	310	313	311
Tryg Baltica	299	295	297	296
Unidanmark A	301	296	299	297

Frankfurt
DAX: 2854.46 — Previous: 2807.75

	High	Low	Close	Prev.
AMB B	1000	970	1000	1000
Adidas	134.50	132.90	134.50	137
Allianz Hdg	2782	2759	2774	2737
Altana	1229	1205	1220	1181
Bk Berlin	28	27.65	27.65	27.51
BASF	59.90	59.41	59.41	58.36
Bayer Hypo Bk	45.59	45.30	45.59	45.02
Bay.Vereinsbank	64.70	63.60	64.40	64.20
Bayer	62.47	61.60	61.80	61.85
Beiersdorf	76.30	74.50	74.80	74.50
BMW	1055	1050	1052.50	1014
Commerzbank	39.40	38.95	39.20	38.75
Daimler Benz	103.20	102.25	102.75	100.70
Degussa	673.50	662.50	672	647.50
Deutsche Bank	71.65	71.25	71.48	70.93
Deut Telekom	32.55	32.20	32.48	32.15
Dresdner Bank	45.25	45.05	45.23	42.60
Fresenius	309	307	307	309
Fresenius Med	136	134.20	134.20	133.50
Fried. Krupp	249	243.80	244.50	249.50
Gehe	97.75	96.50	97.50	96.50
Heidelbg Zmt	124.25	122.50	123	122
Henkel pfd	77.50	75.25	76.90	73.60
Hochtief	61.70	60	61.60	59.50
Hoechst	71.80	70.50	70.95	70.64
Karstadt	521.80	518	521.80	518
Linde	935	923	926	922
Lufthansa	21	20.50	20.50	20.80
MAN	372.80	368	371.80	363.50
Mannesmann	656.50	650.50	654.50	634
Metallgesellschaft	31.50	31.20	31.30	31.40
Metro	122.50	122	122.20	121.20
Munch Rueck R	3790	3710	3790	3700
Preussag	347	344	345.40	341
RWE	64.05	63.60	63.90	62.40
SAP pfd	212	209.70	211.30	204.50
Schering	131.10	129.50	130.50	127.50
Siemens	71.70	70.45	71.20	71.13
Thyssen	276	269	269	263.70
Veba	89	88.50	88.55	87.25
VEW	510	509	507	499
Viag	608	605	607	603.50
Volkswagen	638.50	634.50	635	619.50

Helsinki
HEX General Index: 2451.75 — Previous: 2433.39

	High	Low	Close	Prev.
Cultor 1	238	235	235	238
Enso A	37	36.20	36.20	36.60
Huhtamaki I	208	206	208	205
Kemira	58.80	58	58	58
Kesko	63.20	62.50	62.50	62.20
Merita A	14.60	14.10	14.20	14.10
Metra B	259	257	258	257
Metsa-Serla B	34.40	33.50	34	33
Neste	112	111	111	111.80
Nokia A	265	262	262.50	260.50
Orion-Yhtymae	166.50	162	166.50	161
Outokumpu A	78.50	75.50	78.20	75
Rautaruukki	43.20	42.80	43.20	42.50
Sampo Insur	344.50	339	340	335
UPM-Kymmene	94.70	93.80	93.90	94
Valmet	82.50	79.70	79.70	81.50

Hong Kong
Hang Seng: 13131.41 — Previous: 12846.56

	High	Low	Close	Prev.
Amoy Props	10.80	10.65	10.80	10.60
Bk East Asia	33.70	33.20	33.40	32.90
Cathay Pacific	12.40	12.05	12.30	11.95
Cheung Kong	66.50	64.75	66	64
CK Infrastruct	18.55	18.25	18.45	18.15
China Light	33.80	33.30	33.50	33.40
China Ovseas Ld	3.33	3.23	3.30	3.18
China Res Ent	14	13.55	13.55	13.50
Chin Estates	8.70	8.45	8.70	8.35
Citic Pacific	40.80	40	40.50	39.80
Cons Elec Pwr	18.10	18.10	18.10	18.10
Cosco Pacific	8.05	7.90	8.05	7.90
Dao Heng Bk	35.10	34.90	35.10	35
First Pacific	9.80	9.60	9.70	9.60
Great Eagle	31.50	30.70	31.50	30.70
Guangdong Inv	6.35	6.10	6.25	6.10
Guoco Group	43	42.30	42.30	42.90
Hang Lung Dev	16.80	16.55	16.80	16.50
Hang Seng Bk	92	90.75	92	89.50
Henderson Inv	9.05	8.90	9	8.80
Henderson Ld	74	72.75	74	71.75
HKR Intl	12.05	11.80	11.85	11.75
HK China Gas	15.20	14.90	14.95	15
HK Electric	25.70	25.40	25.60	25.25
HK Shang Htls	14.50	14.40	14.50	14.25
HK Telecomm	13	12.70	12.80	12.75
Hopewell Hdgs	5.05	4.93	4.98	4.95
HSBC Hdgs	161	159	160.50	157
Hutchison Wh	60.25	59	60.25	58
Hysan Dev	29	28.30	28.85	28
Johnson El Hdg	21.45	21.40	21.45	21.50
Kerry Props	21.65	21.40	21.50	21.40
Natl Mutual	7.45	7.40	7.45	7.30
New World Dev	48.70	47.80	48.70	47.20
N World Infrastr	21.95	21.75	21.80	21.45
Oriental Press	4	3.78	3.80	3.88
Pearl Oriental	4.60	4.55	4.58	4.65
Shanghai Indus	24.65	24.20	24.25	24.35
Shangri-La Asia	11.60	11.50	11.60	11.40
SHK Props	94	93	93.75	92
Shun Tak Hdgs	5.30	5.20	5.20	5.15
Sino Land Co.	9.75	9.55	9.55	9.40
Sth China Post	6.70	6.50	6.60	6.60
Swire Pac A	73.75	72.75	73.25	71.75
Tsim Sha Tsui	14.90	14.65	14.90	14.60
TV Broadcasts	29.20	29	29.20	28.90
Wharf Hdgs	38.90	38	38	37.60
Wheelock	21.50	21	21.45	20.65

Jakarta
Composite Index: 632.52 — Previous: 628.32

	High	Low	Close	Prev.
Astra Intl	5350	5275	5325	5275
Bk Intl Indon	2275	2200	2225	2175
Bk Negara	1325	1275	1300	1300
Gudang Garm	10250	10125	10200	10075
Indocement	3600	3600	3600	3575
Indofood	4600	4575	4575	4600
Indosat	6600	6500	6500	6475
Sampoerna HM	12500	12300	12300	12375
Semen Gresik	7850	7750	7775	7725
Telekomunikasi	4275	4150	4175	4075

Johannesburg
All Market: 6523.54 — Previous: 6468.04

	High	Low	Close	Prev.
Amalgamtd Bks	24	23.80	23.80	23.60
AngloAm Coal	336	331	336	331
AngloAm-Corp	244.50	240.50	244	240.25
AngloAm Gold	358.50	357	357	358
AngloAm Ind	173	169	173	167
Barlow	41.50	41	41	40.85
C.G. Smith	22.40	22.05	22.20	22.40
De Beers	131	128.25	130	128.50
Driefontein	48.75	47.90	48.40	47.90
Fst Natl Bk	23.20	22	23.10	21.75
Gencor	17.85	16.55	17	16.70
GFSA	126.50	125.75	126.50	125
Iscor	3.33	3.31	3.32	3.31
Liberty Hdgs	310	308	310	308
Liberty Life	118	114.50	117	113.50
Minorco	94.25	93.50	94	93.50
Nampak	18	17.75	18	17.25
Nedcor	65.50	63.75	65.50	63.50
Rembrandt Gp	42	40.75	42	41
Richemont	66	65.25	65.75	65.25
Rust Platinum	66.75	66.25	66.50	66.50
SA Breweries	116	113.50	115	112.50
Samancor	54.50	53.75	54.50	53
Sasol	57	55.75	55.75	56
SBIC	176	170	176	170.50
Tiger Oats	64.25	64	64.25	64

Kuala Lumpur
Composite: 1203.06 — Previous: 1201.83

	High	Low	Close	Prev.
Genting	17.50	17.30	17.40	17.40
Mal Banking	26.75	26	26.50	26
Mal Intl Ship F	7.65	7.60	7.60	7.60
Petronas Gas	10	9.95	10	9.95
Proton	4.42	4.38	4.40	4.38
Resorts World	12.10	11.70	11.70	11.80
Sime Darby	10	9.75	9.75	9.95
Telekom Mal	22.60	22.30	22.60	22.30
Tenaga	11.80	11.40	11.40	11.60
Utd Engineers	22.30	21.90	21.90	21.90

London
FT-SE 100: 4077.60 — Previous: 4051.30

	High	Low	Close	Prev.
Abbey Natl	7.53	7.43	7.49	7.44
Allied Domecq	4.34	4.24	4.27	4.30
Anglian Water	5.77	5.63	5.66	5.65
Argos	7.79	7.65	7.78	7.64
Asda Group	1.29	1.25	1.27	1.27
Assoc Br Foods	4.82	4.71	4.81	4.72
BAA	4.91	4.80	4.80	4.88
Barclays	10.17	9.92	9.95	10.07
Bass	8.20	8.11	8.15	8.14
BAT Ind	4.88	4.78	4.80	4.75
Bank Scotland	3.15	3.07	3.12	3.06
Blue Circle	3.67	3.60	3.62	3.59
BOC Group	8.81	8.66	8.74	8.65
Boots	6.13	5.95	5.97	6.05
BPB Ind	3.78	3.62	3.77	3.62
Brit Aerosp	12.17	11.93	12.08	11.73
Brit Airways	6.14	6.03	6.07	6.08
Brit Gas	2.27	2.20	2.22	2.20
Brit Land	5.12	5.04	5.08	5.05
Brit Petm	7.01	6.82	6.94	6.79
BSkyB	5.35	5.16	5.26	5.18
Brit Steel	1.67	1.61	1.63	1.61
Brit Telecom	4.06	3.98	3.99	3.99
BTR	2.80	2.70	2.72	2.70
Burmah Castrol	10.99	10.70	10.90	10.72
Burton Gp	1.56	1.47	1.49	1.55
Cable Wireless	4.86	4.38	4.77	4.77
Cadbury Schw	4.88	4.81	4.87	4.82
Carlton Comm	5.05	4.99	5.03	5.01
Comml Union	6.96	6.83	6.87	6.87
Compass Gp	6.20	6.13	6.20	6.10
Courtaulds	3.90	3.81	3.85	3.67
Dixons	5.35	5.26	5.28	5.33
Electrocomponents	4.54	4.54	4.58	4.52
EMI Group	13.55	13.01	13.44	13.24
Enterprise Oil	6.40	6.20	6.37	6.11
Fam Colonial	1.51	1.49	1.50	1.48
Genl Accident	7.79	7.55	7.61	7.51
GEC	3.85	3.77	3.80	3.77
GKN	10.94	9.83	9.98	10.08
Glaxo Wellcome	9.50	9.36	9.44	9.34
Granada Gp	8.77	8.65	8.66	8.68
Grand Met	4.57	4.52	4.56	4.46
GRE	2.76	2.72	2.75	2.72
Greenalls Gp	5.87	5.80	5.85	5.82
Guinness	4.60	4.51	4.53	4.50
GUS	6.35	6.18	6.27	6.28
Hanson	0.84	0.80	0.81	0.82
Hays	5.57	5.51	5.57	5.45
HSBC Hldgs	12.56	12.41	12.49	12.28
ICI	7.75	7.63	7.72	7.66
Impl Tobacco	3.94	3.88	3.94	3.87
Kingfisher	6.21	6.10	6.13	6.12
Ladbroke	2.39	2.28	2.31	2.27
Land Sec	7.55	7.46	7.49	7.44
Lasmo	2.37	2.30	2.34	2.30
Legal Genl Grp	3.67	3.61	3.65	3.59
Lloyds Abbey	6.71	6.65	6.70	6.63
Lloyds TSB Gp	4.35	4.22	4.33	4.26
LucasVarity	2.35	2.27	2.33	2.26
Marks Spencer	4.87	4.70	4.73	4.86
MEPC	4.35	4.28	4.31	4.30
Mercury Asset	12.53	12.29	12.50	12.34
National Grid	1.93	1.86	1.89	1.86
Natl Power	4.79	4.73	4.78	4.71
NatWest	6.87	6.74	6.78	6.77
Next	5.56	5.40	5.45	5.52
Orange	1.90	1.82	1.84	1.87
P&O	5.99	5.81	5.99	5.85
Pearson	7.25	7.06	7.17	7.10
Pilkington	1.55	1.50	1.53	1.50
PowerGen	5.85	5.78	5.80	5.77
Premier Farnell	7.15	6.85	7.10	6.83
Prudential	4.95	4.85	4.89	4.82
Railtrack PP	4.05	3.92	3.99	3.98
Rank Group	4.20	4	4.14	4.19
Reckitt Colm	N.T.	N.T.	N.T.	7.07
Redland	3.72	3.56	3.59	3.65
Reed Intl	10.85	10.73	10.80	10.61
Rentokil Initial	4.40	4.34	4.37	4.35
Reuters Hdgs	7.45	7.19	7.36	7.14
Rexam	3.47	3.40	3.45	3.42
RMC Group	9.74	9.62	9.68	9.63
Rolls Royce	2.55	2.47	2.54	2.44
Royal Bk Scot	5.56	5.34	5.41	5.35
RTZ reg	9.62	9.40	9.45	9.35
Royal & Sun All	4.54	4.45	4.48	4.45
Safeway	4.08	4	4.05	3.98
Sainsbury	3.88	3.80	3.85	3.80
Schroders	15.32	15.13	15.20	15.14
Scot Newcastle	6.83	6.67	6.82	6.66
Scot Power	3.53	3.45	3.46	3.46
Securicor	2.86	2.81	2.84	2.77
Severn Trent	6.99	6.90	6.90	6.83
Shell Transp R	10.02	9.84	9.94	9.78
Siebe	10.38	10.15	10.30	10.20
Smith Nephew	1.84	1.77	1.81	1.77
SmithKline	8.14	8.03	8.07	8.01
Smiths Ind	7.73	7.55	7.68	7.47
Sthern Elec	7.82	7.70	7.80	7.65
Stagecoach	7.04	6.98	7	7.02
Stand Charter	7.20	7	7.12	6.96
Tate & Lyle	4.80	4.73	4.79	4.71
Tesco	3.61	3.54	3.55	3.53
Thames Water	6.19	5.95	6.08	5.91
3i Group	4.85	4.80	4.81	4.82
TI Group	5.67	5.53	5.59	5.46
Tomkins	2.60	2.50	2.54	2.53
Unilever	13.98	13.71	13.95	13.68
Utd Assurance	4.75	4.65	4.70	4.65
Utd News	7	6.86	6.91	6.75
Utd Utilities	6.12	5.98	6.08	5.90
Vendome Lx uts	5.42	5.38	5.38	5.39
Vodafone	2.54	2.47	2.48	2.47
Whitbread	7.73	7.59	7.71	7.62
Williams Hdgs	3.52	3.41	3.48	3.47
Wolseley	4.64	4.46	4.59	4.45
WPP Group	2.41	2.35	2.40	2.32
Zeneca	16.60	16.25	16.26	16.25

Madrid
Bolsa index: 428.57 — Previous: 423.42

	High	Low	Close	Prev.
Acerinox	18300	17600	17900	17310
ACESA	1750	1725	1725	1710
Aguas Barcelon	5160	5090	5090	5040
Argentaria	5700	5600	5700	5670
BBV	6850	6740	6760	6780
Banesto	985	967	967	971
Bankinter	20000	19070	19650	18850
Bco Centro Hisp	3210	3175	3210	3175
Bco Exterior	2760	2730	2740	2730
Bco Popular	25130	24950	25020	24700
Bco Santander	7750	7580	7710	7510
CEPSA	3940	3905	3920	3900
Continente	2566	2485	2535	2440
Corp Mapfre	7130	6930	7070	6900
Endesa	9140	8920	8920	9050
FECSA	1195	1155	1180	1150
Gas Natural	29990	29100	29830	28950
Iberdrola	1790	1710	1750	1705
Pryca	2765	2685	2725	2645
Repsol	5020	4890	4950	4855
Sevillana Elec	1300	1250	1295	1255
Tabacalera	5460	5380	5450	5570
Telefonica	3045	2995	2995	3085
Union Fenosa	1160	1100	1145	1100
Valenc Cement	1410	1380	1400	1410

Manila
PSE index: 3180.28 — Previous: 3154.38

	High	Low	Close	Prev.
Ayala B	29	28.50	29	28
Ayala Land	29.50	29	29.50	29
Bk Philip Isl	161	158	160	157
C&P Homes	14	13.25	13.75	13.25
Manila Elec A	124	119	122	118
Metro Bank	630	615	620	625
Petron	9.40	8.98	8.90	9.30
PCIBank	352.50	340	352.50	350
Phil Long Dist	1535	1490	1490	1525
San Miguel B	119	114	116	114
SM Prime Hdg	6.80	6.70	6.80	6.70

Mexico
Bolsa index: 3311.36 — Previous: 3338.14

	High	Low	Close	Prev.
Alfa A	36.45	35.80	35.90	36.15
Banacci B	16.50	15.94	16.00	16.10
Cemex CPO	28.40	28.10	28.35	28.25
Cifra C	10.18	9.96	10.00	10.04
Emp Modema	37.95	37.75	37.85	37.90
Gpo Carso A1	41.70	40.70	40.70	41.10
Gpo Fin Inbursa	27.35	26.50	27.05	27.20
Kimb Clark Mex	153.60	152.00	152.00	153.60
Televisa CPO	104.50	101.00	101.00	104.00
TelMex L	12.72	12.46	12.48	12.60

Milan
MIB Telematico: 10461.00 — Previous: 10478.00

	High	Low	Close	Prev.
Alleanza Assic	11050	10600	10615	10970
Bca Comm Ital	2800	2720	2720	2790
Bca Fideuram	3450	3325	3335	3485
Bca di Roma	1289	1236	1256	1294
Benetton	18990	18250	18260	18710
Credito Italiano	1714	1676	1685	1705
Edison	9595	9460	9495	9515
ENI	8170	8030	8055	8080
Fiat	4295	4110	4120	4255
Generali Assic	29350	28750	29050	29300
IMI	12930	12645	12645	12680
INA	1985	1950	1955	1970
Italgas	6390	6230	6245	6300
Mediaset	7190	6990	7020	7025
Mediobanca	8370	8110	8155	8280
Montedison	1063	1036	1036	1038
Parmalat	2430	2385	2390	2400
Pirelli	2820	2770	2805	2775
RAS	14450	14100	14245	14360
Rolo Banca	15075	14500	14785	14945
S Paolo Torino	9745	9480	9480	9610
Stet	6665	6680	6710	6650
Telecom Italia	3930	3810	3850	3790
TIM	3855	3770	3770	3760

Montreal
Industrials index: 2725.82 — Previous: 2707.82

	High	Low	Close	Prev.
Alcan I	23½	22	23½	22.20
Bank Montreal	43¼	42.40	42.55	42.70
Bce Mob Com	40	39.90	39.90	40.70
Cdn Tire A	22.80	21.80	22½	22.85
Cdn Util A	30¼	30	30.10	30.80
Cascades	7.95	7¾	7.95	7.80
CT Finl Svc	32.60	32¼	32.60	32
Extendicare	16.20	16.15	16.15	16.35
Gaz Metro	17.20	17.10	17.15	17.20
Gt-West Lifeco	42¾	42.30	42.30	42.45
Hees Intl Bcp	20.30	20.05	20¼	19.95
Hudson's Bay	22.80	22½	22¼	22.60
Imasco	31.90	31.65	31.70	31.90
Investors Grp	25.90	25.80	25.90	25.60
Loblaw Cos	14.40	14.05	14.30	14
Molson A	21.20	21.05	21.20	21.20
Natl Bk Canada	13.65	13.55	13.60	13.70
Oshawa A	19.95	19.80	19.80	19.90
Pancdn Petlm	53½	53	53	52.80
Power Corp	27½	27.20	27.30	27.10
Power Finl	48¼	48	48	47.70
Quebecor B	23.10	23	23.05	22.95
Rogers Comm B	10.10	10	10	9.90
Royal Bk Cda	48	46.70	46.70	47.35
Sears Canada	10.20	10.05	10.05	10.15
Shell Cda A	52.35	52	52	51⅛
Southam	19.20	19.15	19⅛	19.40
Stelco A	8.35	8.30	8.35	8¼
Trilon Finl A	6.55	6½	6½	6.65

Oslo
OBX index: 517.83 — Previous: 518.14

	High	Low	Close	Prev.
Aker A	136	134	136	132
Bergesen Dy B	152	148	150	148
Christiania Bk	20.30	18.80	20.30	19.50
Den norske Bk	24.50	23.50	24.50	23.20
SAS Norge ASA	68.50	67	67	67
Dyno Indust	162	160	160	160
Elkem	104.50	103	103	100.50
Hafslund A	47.50	46.80	46.80	46.80
Kvaerner	292	287	289	286
Leif Hoegh	125	124	125	124.50
Norsk Hydro	332	326	330	325
Norske Skog A	215	207	209	207.50
Orkla	427	423.50	425	424
Rieber B	181	181	181	180
Saga Petm B	97	96	96.50	95.50
Schibsted	116.50	115	115.50	115
Storebrand	36.80	36	36.40	36.50

Paris
CAC-40: 2278.53 — Previous: 2248.70

	High	Low	Close	Prev.
Accor	629	618	619	620
AGF	167.50	164.10	166.80	164.70
Air Liquide	809	787	798	798
Alcatel Alsth	426.50	415.10	416.70	425.60
Axa	331	323	328	316.50
Bancaire	612	597	606	599
BNP	201.40	198.50	199.60	200
Bouygues	535	522	533	525
Canal Plus	1142	1120	1120	1130
Carrefour	3380	3310	3332	3277
CCF	241.40	234.90	239.50	236.80
Credit Local Fr	446.90	440.20	442.50	441.30
Credit Lyon PC	124.50	121.10	122	124.70
Crown Cork Seal	275	264.10	268.20	264.50
Danone	724	715	719	715
Elf-Aquitaine	475.90	463.20	474	455.60
Eridania BS	829	802	802	819
Euro Disney	9.80	9.55	9.55	9.80
Eurotunnel uts	7	6.85	6.90	7
Gen. Eaux	640	633	633	632
Havas	371	354.40	360	360.40
Lafarge Cop	312.80	307	311	305
Legrand	900	869	881	888
L'Oreal	1940	1909	1925	1880
LVMH	1403	1365	1375	1355
Lyon. Eaux	478	467	470.20	473
Michelin B	274.80	266	273.10	273.50
Navig Mixte	754	754	754	750
Paribas A	348.50	341	342.50	342
Pechiney SA	205.50	198.60	204.50	204
Pernod Ricard	274.40	271.30	272.50	271.80
Peugeot Cit	576	560	574	562
Pinault-Print	2064	2026	2032	2049
Promodes	1430	1400	1421	1394
Renault	107.80	103.60	104.10	107.20
Rh-Poulenc A	180	168.20	177.50	167.70
Roussel-Uclaf	1523	1520	1521	1439
Sanofi	542	496	525	494
Schneider	238.30	231.50	233	232.40
Ste Generale	544	532	542	533
St Gobain	734	726	730	725
St Louis	1205	1190	1198	1187
Suez	214	211.50	213	213
Thomson CSF	169	165	166.50	165.10
Total B	421.70	416.10	418	410
UAP	131	127.50	130	127.50
Valeo	329.90	325.20	329.90	328.50

São Paulo
Bovespa index: 69422.40 — Previous: 68916.50

	High	Low	Close	Prev.
Bco Brasil Pfd	8.95	8.75	8.75	8.85
Banespa Pfd	5.00	4.50	4.85	4.30
Bradesco Pfd	7.61	7.42	7.50	7.60
Brahma Pfd	574.99	560.00	566.00	557.72
Cemig Pfd	34.90	34.30	34.90	34.20
CESP Pfd	39.00	36.50	38.20	38.00
Eletrobras B	371.00	368.00	368.00	366.00
Itaubanco Pfd	436.00	430.00	430.00	435.00
Light	355.00	325.00	355.00	335.00
Paranapan Pfd	11.10	10.75	11.00	11.00
Petrobras Pfd	158.50	156.01	158.49	158.00
Sid Nacional	29.00	28.55	28.70	28.60
Souza Cruz	6.65	6.50	6.62	6.51
Telebras Pfd	80.10	79.30	79.80	79.30
Telesp Pfd	229.00	225.00	228.00	227.00
Usiminas Pfd	1.07	1.05	1.07	1.05
CVRD Pfd	20.25	20.00	20.10	19.90

Seoul
Composite index: 700.87 — Previous: 698.97

	High	Low	Close	Prev.
Daewoo Heavy	5800	5570	5600	5550
Hyundai Eng	20400	19600	20400	18900
Hyundai Motor	22500	21500	22000	21300
Korea El Pwr	26800	26200	26200	26600
Korea Mob Tel	458000	430000	455000	429000
LG Electronics	12000	11500	12000	11200
Pohang Iron St	41400	40300	40800	40100
Samsung Elec	50800	49500	49500	49600
Samsung Hvy	9800	9500	9550	9500
Yukong	17700	16700	17700	16700

Singapore
Straits Times: 2196.81 — Previous: 2199.35

	High	Low	Close	Prev.
Cerebos Pac	10.70	10.60	10.70	10.60
City Devlts	12.70	11.90	12	12.40
Cycle Carriage	16.90	16.50	16.50	17
Dairy Farm Int *	0.83	0.81	0.83	0.82
DBS	8.90	8.85	8.85	8.90
DBS Land	5.20	5.10	5.20	5.20
Fraser & Neave	14.20	13.90	14	14
HK Land *	2.87	2.73	2.84	2.73
Hong Leong Fin	3.28	3.28	3.28	3.22
Jard Matheson *	6.45	6.30	6.35	6.40
Jard Strategic *	3.72	3.68	3.68	3.72
Keppel	11.30	11.10	11.10	11.20
Natsteel	3.18	3.08	3.18	3.04
Neptune Orient	1.22	1.19	1.20	1.21
OCBC foreign	17.40	17.20	17.20	17.40
OSea Union Bk	6.40	6.30	6.30	6.30
Sembawang	7.70	7.45	7.45	7.60
Sing Airlines F	12.90	12.70	12.70	12.70
Sing Petm	1.73	1.73	1.73	1.72
Sing Press F	27.10	26.50	27.10	26.10
ST Auto F	3.12	3.10	3.12	3.12
ST Ship	1.89	1.87	1.87	1.89
Sing Telecomm	3.20	3.16	3.18	3.22
Straits Steam	4.52	4.44	4.50	4.48
Utd Industrial	1.21	1.19	1.20	1.20
Utd O'Sea Bk F	15.60	15.40	15.50	15.30
Wing Tai Hdgs	4.02	3.92	4	3.90

*: in U.S. dollars.

Stockholm
SX 16 index: 2471.05 — Previous: 2454.44

	High	Low	Close	Prev.
AGA BF	101.50	99	99	101
ABB AF	786	776	779	783
AssiDoman F	189	186	187	188
Astra AF	330.50	326.50	328	325.50
Atlas Copco AF	171	163	167	162.50
Avesta F	74.50	72	73.50	72.50
Electrolux BF	404	395	398	394.50
Ericsson BF	209.50	205	205.50	205
Hennes BF	930	927	928	927
Incentive AF	489	474	487	472
Investor BF	296	288	292	288.50
Kinnevik BF	189	185	185.50	185.50
MoDo BF	191	188.50	189	188
Pharm/Upjohn	270.50	263	264.50	262
Sandvik BF	183.50	176	178	180
SCA BF	141	138.50	139	138
S-E Banken AF	68.50	66.50	67	66
Skandia Fors F	187	183	186.50	182
Skanska BF	297	291.50	296.50	292.50
SKF BF	156	153.50	154.50	155
SSAB BF	113.50	111	111.50	110.50
Stora AF	93.50	91	92.50	90.50
Sv Handles AF	199.50	196	198	195.50
Sydkraft AF	150	150	150	151
Trelleborg BF	92	89	89.50	90.50
Volvo BF	147.50	146.50	147	146

Sydney
All Ordinaries: 2373.80 — Previous: 2331.70

	High	Low	Close	Prev.
Amcor	7.90	7.81	7.90	7.75
ANZ Bkng	7.76	7.59	7.74	7.54
BHP	17.59	17.16	17.48	17.05
Boral	3.47	3.40	3.46	3.38
Brambles Ind.	24	22.99	23.50	22.80
Burns Philp	2.23	2.18	2.20	2.20
CBA	12.05	11.90	12.04	11.85
CC Amatil	12.80	12.50	12.80	12.52
Coles Myer	5.06	4.93	5.05	4.90
Comalco	6.31	6.09	6.15	6.19
CRA Ltd	19.62	19.16	19.60	19
CSR	4.18	4.15	4.20	4.12
Fosters Brew	2.49	2.44	2.47	2.41
GIO Australia	3.24	3.18	3.23	3.20
Goodman Fld	1.56	1.56	1.55	1.54
ICI Australia	13.05	12.50	13.05	12.55
John Fairfax	2.82	2.78	2.80	2.77
Lend Lease	24.10	23.90	24	23.85
Mayne Nickless	8.60	8.47	8.59	8.45
MIM Hdgs	1.76	1.70	1.75	1.70
Nat Aust Bank	14.51	14.26	14.49	14.16
News Corp	6.70	6.59	6.65	6.52
North Ltd	3.63	3.51	3.62	3.49
Pacific Dunlop	3.11	3.03	3.09	3.07
Pioneer Intl	3.84	3.76	3.78	3.74
Placer Pacific	1.88	1.87	1.88	1.86
Santos	4.82	4.70	4.80	4.61
Southcorp	3.95	3.90	3.92	3.90
Westfarmers	8.60	8.30	8.60	8.26
Wstrn Mining	7.83	7.65	7.82	7.55
Westfield Tr	2.37	2.36	2.37	2.34
Westpac Bking	7.19	7.13	7.16	7.08
Woodside Pet	8.95	8.66	8.90	8.60
Woolworths	3	2.97	3	2.96

Taipei
Stock Market index: 6898.66 — Previous: 6859.48

	High	Low	Close	Prev.
Asia Cement	50.50	50	50	50
Cathay Life Ins	177	174	175	174
Chang Hwa Bk	160	154	157	155
China Steel	26.10	25.70	25.70	25.60
China Trust	54	52.50	53	52.50
Evergreen	54.50	53.50	54	53.50
Far East Text	28.70	28.30	28.40	28.50
First Bank	169	164	167	164
Formosa CF	42.80	42.10	42.70	42.40
Hua Nan Bk	130	126	128	125.50
Hualon Teijran	26.20	25.30	26.20	25.90
ICBC	86	84	84.50	84
President Ent	43	42.60	42.70	42.80
Taiwan Cemt	61	60	60.50	60
Tatung	54.50	54	54.50	54

Tokyo
Nikkei 225: 19690.50 — Previous: 19570.70

	High	Low	Close	Prev.
Ajinomoto	1240	1220	1230	1210
All Nippon Air	890	872	875	870
Asahi Bank	993	970	990	990
Asahi Chem	677	648	654	674
Asahi Glass	1100	1080	1090	1080
Bk Tokyo Mitsu	2150	2110	2130	2110
Bk Yokohama	756	740	745	746
Bridgestone	2120	2090	2090	2110
Canon	2430	2390	2410	2370
Chiba Bank	836	815	830	826
Chubu Elec	2320	2300	2310	2300
Chugoku Elec	2320	2280	2290	2280
Daiei	908	891	899	899
Daiichi Kang	1730	1700	1710	1720
Daiwa Bank	605	598	605	598
Daiwa House	1510	1480	1490	1460
Daiwa Sec	1070	1050	1070	1050
Denso	2670	2600	2640	2570
Fanuc	3510	3440	3450	3500
Fuji Bank	1760	1730	1750	1750
Fuji Photo	3610	3540	3570	3520
Fujitsu	1060	1040	1060	1040
Hitachi	1070	1040	1060	1040
Honda Motor	3300	3260	3270	3240
IBJ	2070	2040	2070	2060
IHI	508	496	500	491
Itochu	652	640	645	648
Ito-Yokado	5100	5030	5040	5060
JAL	633	623	629	630
Jusco	3890	3830	3870	3870
Kajima	843	810	819	842
Kansai Elec	2370	2350	2370	2350
Kao	1320	1310	1320	1300
Kawa Steel	335	325	329	332
KDD	7990	7680	7860	7650
Kinki Nipp Ry	738	729	738	728
Kirin Brewery	1160	1140	1160	1140
Kobe Steel	247	239	239	241
Komatsu	921	905	916	917
Kubota	591	568	572	576
Kyocera	7170	7060	7130	7040
Kyushu Elec	2350	2310	2330	2330
LTCB	639	627	630	630
Marubeni	500	491	491	495
Marui	2130	2090	2120	2090
Matsu Elec Ind	1870	1840	1850	1850
Matsu Elec Wk	1020	995	1020	985
Mitsubishi	1200	1170	1190	1190
Mitsubishi Ch	380	371	375	370
Mitsubishi El	678	665	672	662
Mitsubishi Est	1309	1260	1300	1260
Mitsubishi Hvy	925	910	914	910
Mitsubishi Mat	851	830	833	846
Mitsubishi Tr	1670	1610	1610	1650
Mitsui	941	932	933	923
Mitsui Fudosn	1200	1160	1180	1160
Mitsui Trust	893	875	892	870
Murata Mfg	3930	3920	3930	3860
NEC	1370	1320	1350	1310
Nikko Sec	925	908	907	916
Nintendo	8250	8100	8200	8200
Nipp Credit Bk	305	298	305	303
Nipp Express	783	771	777	762
Nippon Oil	585	575	585	575
Nippon Paper	590	570	570	570
Nippon Steel	345	338	345	334
Nippon Yusen	524	516	522	523
Nissan Motor	750	698	707	740
NKK	273	265	273	267
Nomura Sec	1790	1770	1780	1780
NTT	8790a	8630a	8710a	8650a
Obayashi	776	750	776	755
Odakyu El Ry	691	684	685	687
Ono Pharm	3400	3250	3340	3350
Osaka Gas	327	320	320	322
Ricoh	1300	1270	1280	1250
Sakura Bk	947	915	925	947
Sankyo	3200	3100	3170	3070
Sanwa Bank	1710	1650	1710	1670
Sanyo Elec	502	491	491	491
Secom	6980	6920	6950	6980
Seibu Rwy	4920	4750	4750	4900
Sekisui House	1190	1150	1180	1160
Seven-Eleven	6760	6670	6720	6710
Sharp	1660	1640	1640	1640
Shimizu	882	858	880	878
Shin-Etsu Ch	2120	2100	2100	2090
Shizuoka Bk	1220	1200	1220	1210
Sony	7490	7370	7420	7320
Sumitomo	963	954	954	953
Sumitomo Bk	1760	1730	1740	1740
Sumit Chem	457	451	457	453
Sumitomo Elec	1610	1590	1610	1580
Sumit Metal	302	288	292	301
Sumit Trust	1180	1150	1170	1150
Taisei	598	581	598	582
Taisho Pharm	2560	2510	2550	2510
Takeda Chem	2320	2260	2280	2290
TDK	7290	7170	7260	7130
Tohoku El Pwr	2330	2280	2290	2320
Tokai Bank	1250	1210	1230	1240
Tokio Marine	1080	1050	1080	1060
Tokyo El Pwr	2550	2520	2550	2530
Tokyo Gas	311	307	310	310
Tokyu	691	675	685	684
Tonen	1450	1420	1420	1400
Toppan Print	1460	1440	1440	1420
Toray Ind	703	695	695	695
Toshiba	713	702	710	716
Toyo Seikan	3340	3190	3270	3280
Toyo Trust	965	950	951	959
Toyota Motor	3240	3150	3230	3130
Yamaichi Sec	515	504	510	503
Yamanouchi	2410	2370	2390	2340
Yasuda Fire	610	600	610	590
Yasuda Trust	501	491	501	495

a: x 100

Toronto
TSE Industrials: 5869.66 — Previous: 5844.30

	High	Low	Close	Prev.
Abitibi Price	22	21	21.90	21
Air Canada	6.10	5.95	6	6.05
Alberta Energy	31.95	31.45	31.90	31.40
Alcan Alum	47.20	46.55	46.80	46.40
Avenor A	20	19.55	19¾	20
Bk Nova Scotia	45	44.30	44.55	44.55
Barrick Gold	41½	39.55	39¾	41.10
BCE	66.20	64.90	65.85	64.90
BC Telecomm	29	28.65	29	28.90
Bombardier B	23.70	23.40	23.40	23.35
Brascan A	30.15	29.95	30.10	30
Cameco	55¾	54½	54¼	54.35
CIBC	59½	57.60	58.45	57.95
Cdn Airlines	2.05	1.96	2	2
Cdn Nat Res	28.40	27½	27.85	28.40
Cdn Occid Pet	22¾	22½	22.80	22.55
Cdn Pacific	37	35.90	36.30	35.80
Cominco	33.10	32.40	32½	32.30
Dofasco	25.45	24½	25.30	25
Domtar Ind B	8.90	8.80	8.90	8.80
Du Pont Cda A	33½	33.20	33.20	33.40
Echo Bay Min	9¼	8.95	9	9.45
Empire Co. A	13¼	13¼	13¼	13.10
Falconbridge	29.40	29.05	29.15	29.30
Fletcher Chall A	22¼	21½	21.80	22.55
Franco Nevada	59	56.55	58¼	56.40
Guardian Cap A	12.10	12	12.10	12
Imperial Oil	60½	59.80	60.10	59.95
Inco	45.15	44½	44.90	44.15
IPL Energy	38.80	38½	38.60	38.55
Laidlaw A	16.20	15¾	16.20	15.60
Laidlaw B	16	15.60	15.85	15.70
Loewen Group	53¼	51½	51¼	51.95
Ldn Insur Gp	18½	18	18.05	18¼
Macmill Bldl	17.65	17.40	17½	17.80
Magna Intl A	75¼	74.30	74.60	74.30
Maple Leaf Fds	9.20	8.90	9.20	8.90
Moore	28	27.30	27.30	27.55
Newbridge Net	41.10	39.20	39¼	39.80
Noranda Inc	30.10	29.90	29.95	29.95
Noranda Forest	9¼	9.10	9.15	9¼
Norcen Energy	30¼	29¾	30	29¾
Nthern Telecom	85.90	84½	85.30	83.90
Nova	12.35	12.15	12.35	12.15
Onex	19.60	19.40	19.45	19.60
Placer Dome	31½	31	31	31.15
Potash Sask	113	112.45	112.60	112.60
Provigo	5.45	5.40	5.45	5.45
Quebecor Print	24	23.65	24	23.60
Renaissance	47	45	46.80	47.20
Rio Algom	31	29.55	30.30	29¾
Seagram Co	56.30	54¾	56.05	53.90
Stone Consold	19.60	19.30	19.40	19.55
Talisman Eny	45½	44.90	45	45.45
Teleglobe	40.40	39½	40¼	38.95
Telus	20.40	19.90	20	20.35
Thomson	27¼	26.85	27	26.95
TorDom Bank	35.30	34.45	34½	35
Transalta	16.90	16½	16.70	16¾
TransCda Pipe	23.90	23.40	23¾	23.55
Trizec Hahn	29.35	28.90	29	29.30
Utd Dominion	32.30	32.15	32¼	32.30
Westburn	12.40	12.30	12.40	12.40
Westcoast Eny	23.35	23.05	23.15	23
Weston	65.95	65.15	65.95	65.95

Vienna
ATX index: 1127.45 — Previous: 1120.22

	High	Low	Close	Prev.
Aust Airlines	1649	1649	1649	1590
Brau-Un Goess	659	650	659	655
Bund Vers Pfd	395	395	490	490
Creditanst Pfd	485.80	480	485.40	475.50
EA-Generali	3210	3162	3182.50	3144.90
EVN	1560	1542.60	1550	1530
Interunfall	N.T.	N.T.	N.T.	1481
Lenzing	687	681	687	682
Leykam	283.50	276	283.50	278
Mayr-Melnhof	535	533	535	534.95
OMV	1219	1208	1208.20	1214
Oest Brau	734	726	734	726
Oest Elektriz	819	812	817	814.40
VA Tech	1717	1700	1708.50	1695
Wienerberger	2090	2065	2080	2060

Wellington
NZSE-40 index: 2349.98 — Previous: 2325.97

	High	Low	Close	Prev.
Air N Zealnd B	2.73	2.70	2.72	2.68
Brierly Invt	1.30	1.29	1.30	1.28
Carter Holt ord	3.32	3.28	3.30	3.30
Fernz	4.95	4.90	4.90	4.94
Fisher Paykel	5.50	5.35	5.50	5.45
FC Forest	2.42	2.33	2.42	2.32
Goodman Fder	1.74	1.72	1.72	1.72
Indep News	6.95	6.90	6.95	6.95
Lion Nathan	3.43	3.35	3.41	3.32
Nat Gas note	2.17	2.16	2.17	2.15
NZ Refining	29.10	28.50	28.50	29.10
Telecom NZ	7.25	7.18	7.20	7.20
Wilson Horton	11.40	11.40	11.40	11.40

Zurich
SPI index: 2481.68 — Previous: 2475.76

	High	Low	Close	Prev.
Adecco B	339	333	337	338
Alusuisse R	1067	1061	1062	1061
Ares-Serono B	1243	1220	1225	1237
Baloise Hdg R	2745	2695	2730	2725
ABB B	1653	1631	1646	1638
BK Vision	744	737	741	737
Bobst B	1790	1760	1760	1790
Ciba Geigy R	1607	1580	1595	1604
CS Holdings R	137.75	136.25	137	137
Elektrowatt B	544	515	525	529
Fischer B	1415	1390	1391	1409
Hilti PC	860	841	850	850
Holderbank B	937	927	930	928
Jul. Baer Hdg B	1392	1385	1388	1390
Nestle R	1432	1414	1428	1413
Oerlikon R	132	128.25	129.25	129
Pargesa Hld B	1450	1425	1435	1440
PharmVisn B	597	590	593	592
Pirelli B	181	179	180	180
Roche Hdg PC	10300	10215	10240	10190
Sandoz R	1508	1494	1494	1522
SBC R	251.50	249.75	250.50	250.50
Schindler B	1432	1400	1420	1407
SGS B	3225	3185	3215	3195
SMH B	819	810	815	816
Sulzer R	760	746	760	757
Swiss Reins R	1404	1397	1398	1393
Swissair R	1070	1033	1052	1025
UBS B	1198	1191	1196	1186
Valora Hdg R	261	255	260	262
Winterthur R	776	768	769	771
Zurich Assur R	367	364	364	363

The Trib Index

Closing prices.

Jan. 1, 1992 = 100.	Level	Change	% change	year to date % change
World Index	148.04	+1.01	+0.69	+12.26
Regional Indexes				
Asia/Pacific	124.54	+1.44	+1.17	-7.24
Europe	157.20	+1.25	+0.80	+12.95
N. America	163.06	+0.40	+0.25	+27.11
S. America	112.76	+0.44	+0.39	+26.64
Industrial Indexes				
Capital goods	171.32	-0.77	-0.45	+28.93
Consumer goods	159.63	+1.60	+1.01	+15.62
Energy	168.12	+1.37	+0.82	+23.96
Finance	116.81	+0.83	+0.72	-6.19
Miscellaneous	159.33	+1.78	+1.13	+17.32
Raw Materials	174.42	+1.58	+0.91	+23.00
Service	134.48	+0.92	+0.69	+12.07
Utilities	140.52	+1.36	+0.98	+10.52

The International Herald Tribune World Stock Index © tracks the U.S. dollar values of 280 internationally investable stocks from 25 countries. For more information, a free booklet is available by writing to The Trib Index, 181 Avenue Charles de Gaulle, 92521 Neuilly Cedex, France. Compiled by Bloomberg Business News.

NYSE

Friday's 4 p.m. Close

Nationwide prices, not reflecting late trades elsewhere.
The Associated Press.

A-B-C

D-E-F

G-H-I-J

K-L-M-N

O-P-Q-R

12 Month High	Low	Stock	Div	Yld	PE	Sls 100s	High	Low	Latest	Ch'ge
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Continued on Page 14

ASIA/PACIFIC

Japan to Borrow Less and Tax More

Economists Criticize Budget as Too Painful for Consumers

Compiled by Our Staff From Dispatches

TOKYO — The cabinet approved a 77.39 trillion yen budget proposal for the next fiscal year that calls for reduced borrowing, an increase in the consumption tax and the elimination of income-tax rebates.

The budget for the year that starts April 1, equivalent to $680.65 billion, is 3 percent higher than the current year's. The government hopes to raise 5 trillion yen through those tax measures, and will scale back new bond sales by 4.3 trillion yen.

The cabinet also approved a Ministry of Finance proposal for 3.6 trillion yen in additional spending for the current fiscal year, mostly for public works projects. Next year's budget calls for an increase in public-works spending, a move that drew fire from economists. Increases in defense spending and foreign aid will be smaller than usual.

"It's ironic that the Bank of Japan is talking about the need for an economic recovery led by private demand, and you have a government that's removing 2 trillion yen from consumers' pockets and basically giving it out to public works projects," said Cameron Umetsu, a senior economist at UBS Securities.

Economists say the elimination of the two-year-old income-tax rebates and an increase in the consumption tax to 5 percent from 3 percent will dampen consumer spending and hurt growth. The government estimates that the economy will expand by 1.9 percent in 1997, its lowest forecast ever. Many economists have predicted even lower growth.

Slow growth also means sluggish tax revenue, which may force the government to increase its planned bond sales.

Other ministries will have a chance to amend the budget, though few changes are expected, and the cabinet is expected to approve the final version Wednesday. The budget will then be submitted to Parliament in January.

With public works spending set to grow 1.3 percent, to 9.74 trillion yen, some economists said the government had failed to make a sufficient effort to cut spending.

"Although Prime Minister Hashimoto has advocated overall reform of Japan's economic structure, next year's budget doesn't show any sign of departure from Japan's old-style budget," said Kunitame Isaki, an economist at Yamaichi Research Institute. "Without trimming spending, the government has chosen to boost revenues by raising the taxpayers' burden."

The government plans to sell 16.7 trillion yen in new bonds, 4.3 trillion yen less than the record-high sales this year.

Outstanding government debt will amount to 254 trillion yen in March 1998, the government estimates. Interest payments on the debt will increase by 2.6 percent, to 16.8 trillion yen next year.

On Thursday, the cabinet approved the government's target to reduce Japan's annual fiscal deficit to 3 percent of gross domestic product or lower by 2005, down from this 7.4 percent this year.

(Bloomberg, AFP)

Toyota Considers Letting Engines Fly

By Andrew Pollack
New York Times Service

TOKYO — Will Toyota's next model have wings?

Toyota Motor Corp. is considering entering the aircraft engine business and possibly making small planes as well, Hiroshi Okuda, the company's president, said Thursday. But he also said there was no firm plan for it to do so.

Toyota and its American partner, Hamilton Standard Co., a division of United Technologies Corp., received permission this week from the U.S. Federal Aviation Administration to manufacture an aircraft engine they have been jointly developing for many years. The engine, which could power a four-seat propeller plane, is based on the 4-liter V-8 engine used in the luxury model of Toyota's Lexus car.

Kyodo news service, quoting unidentified industry officials, reported Thursday that Toyota would invest nearly $1 billion to set up a U.S. subsidiary to make a four-seat aircraft.

But Mr. Okuda, in a brief telephone conversation, said the company had "no such plan" now. Toyota, he said, would probably first go into the aircraft-engine business, but even that was not definite.

In what might be a model for the aircraft business, Toyota said this week that it would enter the motorboat business in Japan, selling diesel and gasoline boat engines based on its auto engines.

The small-aircraft business, once stagnant, has grown in the United States since a law was enacted in 1994 reducing the risk to manufacturers of product-liability lawsuits.

■ Astra to Raise Toyota Output

PT Astra International plans to expand its capacity for Toyota car assembly, Agence France-Presse reported Friday from Jakarta. The company will raise output to 150,000 vehicles annually by 2000 from 100,000 now, Theodore Rachmat, president of PT Astra, said.

Suharto Forces The Rich to Give

Reuters

JAKARTA — President Suharto, in a decree released Friday, ordered wealthy Indonesian individuals and companies to donate 2 percent of their profits to the poor.

In the order, dated Dec. 4, Mr. Suharto said individuals and companies with net annual earnings of over 100 million rupiah ($42,500) must make the donations. The order was effective for the current 1996 tax year.

Christianto Wibisono, director of the Indonesian Business Data Center, said more than 11,000 individuals and companies would be affected.

"This is an additional tax for rich people," he said, adding it was "a political charity."

In September, Mr. Suharto asked Indonesia's wealthy citizens why half of those in the upper income bracket had ignored a government appeal to donate 2 percent of their profits to alleviate poverty.

Mr. Wibisono said the director-general of Indonesia's tax authority, who also holds a senior position in the charitable foundation that receives the money, then wrote to 5,000 taxpayers who had not complied with the request, asking them to forward the money.

While it was not immediately clear how the decree would be enforced, Mr. Wibisono said he expected most local taxpayers to comply voluntarily.

"Most local people will comply, only the multinationals will argue," he said. "People say it is better not to argue with the government as you will be considered opposition. This has become a political issue, and you will be considered disloyal."

In 1995, the government made a similar appeal for donations to its poverty-alleviation program, but it said companies and individuals "can help" the poor, whereas this year the words "must give" were used.

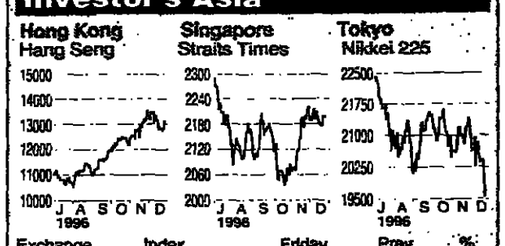
More than 25 million people officially live below the poverty line in Indonesia, where the minimum wage as decreed by the government is less than $2 a day.

[Separately, Mr. Suharto told Indonesian industrialists on Friday not to be discouraged by the country's growing trade deficit, The Associated Press reported.

[Indonesia's trade deficit has grown from $2.3 billion in 1993 to $6.8 billion last year. The figure this year is expected to be $8.7 billion.

["The fact, however, should not discourage us from facing world trade liberalization," Mr. Suharto said at a meeting of the Indonesian Chamber of Commerce & Industry.]

Investor's Asia



Exchange	Index	Friday Close	Prev. Close	% Change
Hong Kong	Hang Seng	13,131.41	12,846.56	+2.22
Singapore	Straits Times	2,196.81	2,199.35	-0.12
Sydney	All Ordinaries	2,373.80	2,331.70	+1.81
Tokyo	Nikkei 225	19,890.46	19,576.67	+0.61
Kuala Lumpur	Composite	1,203.06	1,201.03	+0.17
Bangkok	SET	816.79	832.60	-1.90
Seoul	Composite Index	700.87	690.97	+1.43
Taipei	Stock Market Index	6,890.66	6,859.40	+0.46
Manila	PSE	3,180.20	3,154.38	+0.82
Jakarta	Composite Index	532.52	528.32	+0.67
Wellington	NZSE-40	2,349.98	2,335.91	+0.60
Bombay	Sensitive Index	3,110.19	3,035.91	+2.45

Source: Telekurs International Herald Tribune

Very briefly:

• **China Northwest Airlines** and **China Aviation Supplies Corp.** signed a $300 million agreement to buy 10 A-320 aircraft from **Airbus Industrie** for delivery beginning in 2000, the Xinhua news agency reported.

• **Malaysia's** prime minister, Mahathir bin Mohamad, said the 18-member Asia-Pacific Economic Cooperation forum could become unwieldy if **India** and several other applicants gained admission to the group.

• **Oung Da-ming**, a Taiwan billionaire who heads **Hualon Group**, a textile and electronics concern, was sentenced to four years in prison over a stock-manipulation scheme that triggered large defaults on share transactions in 1994.

• **Honda Motor Co.** said it had developed the first human-shaped robot, after 10 years of research. It said the battery-powered robot could move without detailed walking instructions and could perform basic manual tasks.

• **Nippon Oil Co.** agreed to acquire **Repsol SA's** 5 percent stake in the Magnus oil field in the North Sea. The price was not disclosed.

• **DSM NV** of the Netherlands said its DSM Resins unit would buy **BASF AG's** 50 percent stake in **Jinling Petrochemical Co.**, their joint venture in China.

• **LG Semicon Co.** and **Hitachi Ltd.** scrapped a plan to build a $1.25 billion semiconductor plant in Malaysia, citing slumping computer-chip prices and what it called inadequate incentives offered by the Malaysian government.

• **Mitsubishi Motors Corp.** forecast domestic sales would rise 5 percent in 1997 from 1996, to 800,000 vehicles.

• **The Philippines** predicted its gross domestic product would grow by between 7.1 percent and 7.8 percent in 1997, powered by lower borrowing costs and an expansion in agricultural and industrial output.

Reuters, AFP, AFX, Bloomberg

Copper and Steel Businesses Hurt Profit at Broken Hill

Compiled by Our Staff From Dispatches

MELBOURNE — Broken Hill Pty., a steel and natural-resources company, said a strong Australian dollar and reduced copper and steel prices helped drive down its first-half net profit by 10 percent.

The situation is not likely to change soon, said BHP's managing director, John Prescott. He predicted that the currency would remain near current levels, and said copper prices were likely to remain volatile, while steel would be "under pressure."

Profit for the six months to Nov. 30 fell to 790 million Australian dollars ($627.1 million). The result includes a one-time gains totaling 189 million dollars. Revenue rose 10.5 percent, to 10.2 billion dollars.

BHP is one of several Australian resources companies that have been hit by lower commodity prices and the higher currency. A higher Australian dollar reduces the returns to such companies, which price most of their products in U.S. dollars.

Shares in BHP shares rose 43 cents, to 17.48 dollars, as rising oil prices overshadowed the disappointing result.

BHP Copper's operating profit after tax fell 32 percent, to 217 million dollars.

The average price for BHP copper shipments in the half year was 98 U.S. cents a pound, compared with $1.29 a pound in the same half last year. Copper prices plunged in the half after Sumitomo Corp. of Japan, the world's largest copper buyer, said its chief trader had amassed losses of nearly $2 billion.

But BHP Copper benefited from a recent rise in the price of copper and a cut of seven U.S. cents per pound in its North American operating costs. The U.S. copper operations, acquired in January with the $2.4 billion purchase of Magma Copper Co., swung back into profit in the second quarter, Mr. Prescott said.

(Bloomberg, Reuters)

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International Herald Tribune
THE WORLD'S DAILY NEWSPAPER

Corporate Food and Management Services
Restaurant Management - Service Vouchers - Leisure Services

Successful Alliances and Higher Earnings.

The Board of Directors of Sodexho met under the chairmanship of Pierre Bellon to close the accounts for the year ended August 31, 1996.

I - ALLIANCES

On February 1, 1995, the alliance with Gardner Merchant made the Sodexho Group the world's largest contract food services group.

On January 2, 1996, the alliance with Partena, Sweden's leading management services company, strengthened our position in the Nordic countries.

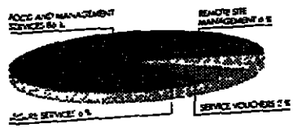
In February 1996, we acquired an equity interest in Cheque Cardapio, Brazil's third largest service voucher issuer, which we now manage.

II - BUSINESS PERFORMANCE

Including Partena, the number of Sodexho operations rose from 11,802 to 13,512 during the year, while the number of employees rose from 115,669 to 141,118.

The year also saw the award of a large number of new contracts:
Food and Management Services: Cogéma in Vélizy and the National Football Technical Center in Clairefontaine, near Paris, in France; the Royal Navy Training Centre and Victoria Hospital in Glasgow, in the UK; the Boston Museum of Science and the National Institute of Health in Washington DC, in the United States; the RTL TVI television channel in Brussels, Belgium; Siemens in Dresden, Germany; Nokia headquarters in Finland; SAAB Automobile near Göteborg, Sweden; the Olympic Stadium in Sydney, Australia.
Remote Site Management: a contract with the Ministry of Health for the management of seven hospitals in the Sultanate of Oman; the Forcados oil terminal for Bouygues Offshore in Nigeria; the five-year renewal of the Chevron contract in Tengiz, Kazakhstan.
Service Vouchers: DHL in Austria, Benetton in Turkey; Coca Cola in Venezuela; Hertz and L'Oréal in Chile.

Revenues by business activity



III - FINANCIAL RESTATEMENTS

Over the year, consolidated revenues increased by 36% to FRF 24,961,020,000, broken down as follows:

• Consolidation of Gardner Merchant over 12 months	24 %
• Organic growth	11 %
• Acquisitions, other than Gardner Merchant	1 %
• Currency effect	0 %

Revenues by geographic area

Operating income rose by 50 % to FRF 1,123,609,000.

Consolidated net income less minority interests totalled FRF 684,926,000. Of this, consolidated net income before non-recurring items less minority interests amounted to FRF 401,276,000, a 41 % increase from the previous year's FRF 284,412,000.

Following the exercise of warrants issued in 1991, the number of shares in issue has increased by 5 %, while earnings per share before non-recurring items increased by 34 % to FRF 54.44 as of August 31, 1996 from FRF 40,66 the year before.

The Board will ask shareholders to approve an increase in the dividend per share from FRF 22.00 to FRF 26.00 net of tax credit. The proposed payment amounts to FRF 191,650,940, corresponding to 48 % of consolidated net income before non-reccurring items less minority interests.

IV - OUTLOOK

The Board of Directors discussed the Group's future prospects, which remain favourable.

Pierre Bellon indicated that, based on currently available data and assuming constant exchange rates, consolidated net income before exceptional items less minority interests should reach FRF 500 million in fiscal 1997. This would represent growth of 25 %, with earnings per share gaining 23 %.

Our independence, our global reach, the quality of our teams, and our excellent financial position all provide us with important competitive advantage in the global market place.

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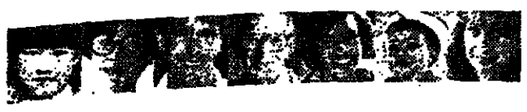

For further information, please contact : Raphaël DUBRULE - Corporate Secretary
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Internet : http://www.sodexho.com

NASDAQ

Friday's 4 p.m.

The 1,000 most-traded National Market securities in terms of dollar value, updated twice a year.

The Associated Press.

NYSE

Friday's 4 p.m. Close

(Continued)

Herald Tribune INTERNATIONAL

THE MONEY REPORT

MONDAY: SPORTS

SATURDAY-SUNDAY, DECEMBER 21-22, 1996
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Visions of Dividends Dance in Their Heads: Financial Gifts for Kids

By Aline Sullivan

A FINANCIAL GIFT is unlikely to win more than a polite thank you from a child or grandchild this season. But long after the dolls and trains have been relegated to the attic, your gift could be paying handsome dividends.

Stocks, bonds and shares in mutual funds can be surprisingly affordable when purchased for a child. Brokers and fund managers are often willing to cut commission charges on custodial account transactions for existing clients and many have recently lowered their entry-level thresholds. For as little as $25 a month, you can help finance an education, house or even first car.

Indeed, today's bull markets mean that making a small contribution each month to a mutual fund is the best way to build a child's savings. Lump sums invested now are at risk if the markets tumble, financial advisers warn. By investing a fixed amount of money regularly the donor will automatically buy more shares when the fund's share price is low and fewer when it is high.

However you choose to distribute it, there is certainly no shortage of appropriate long-term growth funds willing to take your money. At least five are directed at investors buying for children.

The granddaddy of this group is the American Express IDS New Dimensions Funds, with a 28-year track record and $8.5 billion in assets under management. The fund invests, via the company's Growth Trends Portfolio, in U.S. companies with a history of continuous growth and in the technology sector. It has outperformed the Standard & Poor's 500 index in six of the past 10 years and is up 28.37 percent this year, putting it 2.94 percentage points ahead of the S&P 500.

Of course, past performance is no guide to the future. Weakening corporate earnings and a possible rise in U.S. interest rates next year should make it more difficult for fund managers to generate impressive results.

"Longer term, I think the fundamentals remain favorable, but I suspect investors will have to be content with less robust returns than they've enjoyed in recent years," warned Gordon Fines, an IDS portfolio manager, in a recent note to clients.

Investors in the IDS fund participate in the American Express "Kids, Parents and Money" program. That entitles them to the storybook "Kate and Kenny's Marvelous Money Adventure," a quarterly newsletter and an activity guide with suggestions on how to save and invest money.

Parents worried that they will by tempted to tap their child's savings should consider the 20th Century Giftrust Investors fund. Shares in the $846.7 million aggressive growth fund can only be bought as a gift and must be held for at least 10 years. Its assets are divided almost equally among the U.S. services, health and technology sectors.

Like the IDS fund, the Giftrust fund rates five stars over a 10-year period by the Chicago-based fund-monitoring concern Morningstar Inc., the top possible rating. Its performance this year is unimpressive, however: Up only 4.37 percent, it trails the S&P 500 by 21.06 percentage points. But it has outperformed the index for eight of the past 10 years.

If the IDS and Giftrust funds are aimed at parents, grandparents and others buying for children, the Stein Roe Young Investor Fund is targeted more at the beneficiary. Of course, most children would rather have a Power Ranger or this year's favorite, Tickling Elmo.

David Suter

BUT ERIK GUSTAFSON, manager of the $210.9 million fund, claims that at least 65 percent of its holdings are in companies familiar to children, which should make investing interesting. These include Intel Corp., Johnson & Johnson, McDonald's Corp. and Microsoft Corp.. The fund also sends shareholders a variety of educational materials, he said.

"We want to stimulate interest in investing among young people," said Mr. Gustafson. "But we also try to buy the best companies run by the best managers. I want a 15 percent return on equity and the potential for the stock to double in a three- to four-year market cycle."

So far, he seems to be in luck. The two-year-old fund, which is not yet rated by Morningstar, is up 36.96 percent this year, following a 39.79 rise last year. Participating in this success does not come cheap, however. The minimum entry is $1,000 for custodial accounts.

The newest contender in this group is the AIG Children's World Fund. The fund was started in November 1995 with the guarantee of at least the return of a shareholder's original investment at maturity (Nov. 15, 2005) as long as dividends are reinvested. Obviously, shareholders will be hoping for more than that, which is why the fund invests in a globally diversified portfolio of equity securities.

This global scope sets the AIG fund apart from the others and arguably makes it the better bet ahead of a possible downturn in U.S. markets. More than 93 percent of the assets of the IDS, Giftrust and Stein Roe funds are invested domestically.

In Britain, the £28.8 million ($48 million) Invesco Rupert Children's Fund, which features Rupert Bear, a favorite with children for more than 70 years, confines its investments to shares in companies listed in the Financial Times-Stock Exchange 100 Index. Its performance has been respectable but hardly stellar: up 12.1 percent in the year to Dec. 1 and 92 percent since its inception in 1988.

"We are looking for long-term, sustainable growth," said the fund manager Tim Mann in London. "When the child reaches the age of 18, he or she can move on to products that are more exciting."

Presumably, the hand puppets and stuffed animals sent to shareholders will have lost their appeal by then.

The toys and literature are a nice touch and provide the buyer something to put under the tree. But there is little else to distinguish most of these funds from their adult counterparts.

INDEED, INVESTORS buying on behalf of children should consider taking on more risk in exchange for the prospect of greater reward, some financial advisors said. Emerging-market funds can make super presents, for example.

"You should be looking at high-risks thresholds because there is plenty of time for the investment to crystallize," said Jeremy Batstone, head of research at NatWest Private Client Stockbrokers in London. He advised buying shares in Ballie Gifford's Scottish Mortgage Fund, which is managed more aggressively than its name suggests. Investors can gain exposure to the fund's wide geographical spread for as little as £30 a month.

Of course, no one wants to be the uncle who bought the dud fund. Financial advisors generally recommend global or regional emerging-market funds over those that focus on a single country.

Funds, like almost everything else that can be bought during this season, can go on sale in the New Year. But for the rest of this month, Charles Schwab & Co. is allowing investors to buy stocks, bonds or mutual-fund shares electronically for custodial accounts, free of any transaction or commission charges. The offer applies only to one purchase of up to $10,000.

Smith Barney Mutual Funds has cut its entry threshold for custodial accounts to just $250, payable up front or in 10 monthly segments. The accounts must be invested in the Smith Barney Concert Series: five investment portfolios that are derived from a mix of up to 10 Smith Barney funds.

For young investors who want to keep an eye on their assets, Smith Barney also provides an activity board or a magazine, depending on the age of the child.

Stocks can make great stocking stuffers, particularly if the child is familiar with the company. Certainly, they are easier to understand than funds. They also come with perks: for example, Walt Disney Co. discounts memberships to its Magic Kingdom Club Gold Card Program while Wm. Wrigley Jr. Co. sends shareholders free packs of chewing gum.

Easiest of all to grasp are savings accounts. Most banks offer accounts for children that require only a notional deposit and charge no fees. As with stocks and shares in mutual funds, there are plenty of incentives to lure young customers.

In many countries, parents and grandparents making financial gifts also receive a perk: They reduce their taxable estates. In the United States, they can give a child $10,000 a year tax-free. For the children, the first $600 in unearned income is tax free and the next $600 is taxed at the child's rate of 15 percent. Above $1,200, the child pays the parent's rate.

For information about Charles Schwab & Co., call 316 596 4501 or, in the United States, 1 800 435 4000.

For information about AIG Children's Fund, call 1 302 761 3560 or, in the United States, 1 800 862 3984. Investors must have a U.S. taxpayer identification number.

For information about American Express IDS New Dimensions Fund, call 1 612 671 3131, or, in the United States, 1 800 986 9598.

For information about Invesco Rupert Children's Fund, call 44 1717 626 3434, or, in Britain, 0800 010 333.

For information about Smith Barney Mutual Funds, call 1 212 580 5505, 1 305 376 8500 or, in the United States, 1 800 327 6748. Investors must have a U.S. taxpayer identification number.

For information about the Stein Roe Young Investor Fund, call 1 312 368 7800, or, in the United States, 1 800 338 2550. Investors must have a U.S. taxpayer identification number.

For information about Twentieth Century's Giftrust Investors, call 1 816 340 7010, or, in the United States, 1 800 345 2021. Investors must have a U.S. taxpayer identification number.

Investors who are not American citizens or residents can apply for a U.S. taxpayer identification number on form W-7, which is available from U.S. embassies and consulates.

For New Homebuyers, Offer a Down Payment

Give Them a Boost on the Real Estate Ladder

By Judith Rehak and Digby Larner

SHOPPING FOR a big-ticket Christmas gift for the young adults in your family? You might want to consider a down payment on a home.

In Britain, parents often help their offspring get started on the real estate ladder, usually by giving them the deposit for their first homes. But this has more to do with family loyalty than financial prudence.

In the United States, the practice of parents and relatives kicking in the cash for first-time buyers of a residence is long-established. In 1995, about 11 percent of mortgages for new buyers in the United States were funded by parents or other family members, according to a survey by the Chicago Title & Trust Co.

A major factor in the "gifting" of cash for a first home is that while most young couples and individuals can keep up with monthly mortgage payments, many cannot manage to amass the cash for a down payment.

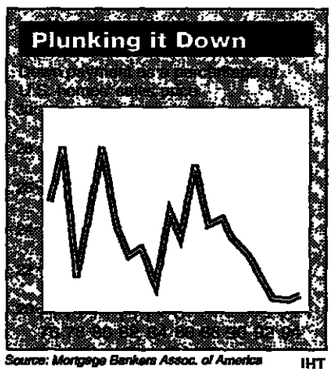
"Young people just aren't saving money," said Jean Rothman, head of the consumer division at Universal Funding Corp., a Denver mortgage banker. "We see people all the time who have great income, but no savings because they already have so much outstanding debt, mostly on credit cards."

How much a down payment on a home for Christmas will cost varies widely, depending on local real estate markets and other factors, such as whether the prospective owners want a bungalow or have grander aspirations.

Figures from the Federal Housing Finance Board, which surveys the conventional, nongovernment loan industry around the United States, show that the average purchase price for a U.S. home in 1995 was $156,800, with 21.3 percent, or $36,800, constituting the down payment. Not included in these statistics are mortgages issued by the Federal Housing Administration. Its requirements for a down payment can be as low as 3 percent of the purchase price.

As with any generous financial gift, there are also practical considerations. For the giver whose estate exceeds the U.S. tax-free ceiling of $600,000, a gift of the maximum $10,000 per individual ($20,000 for a couple) is a legitimate way of saving their heirs a big tax bite. For the prospective home owner, a gift of up to $10,000 from each individual giver is tax-free.

In Britain, however, such gifts carry few tax breaks. Parents can reduce the prospective death duties on their wealth by giving away any amount of cash to their children. Yet this is true for any financial gift, not only money used to buy property. Provided the parent lives for at least seven years after the gift is made, this amount is excluded from any inheritance tax bill.



Source: Mortgage Bankers Assoc. of America IHT

WHEN IT COMES to paying for their child's mortgage loan, British parents get no tax benefits at all, said Paul Franklin, a spokesman for the British tax office.

"If you have a mortgage on your main home you are entitled to tax relief on the loan interest," he said. "Raising a loan to buy a property for someone else, even within the family, excludes you from this benefit."

The same is true if the parents do not have a mortgage themselves. Mr. Franklin said that the children would only be entitled to the mortgage relief if the mortgage was in their own name and the parents gave them the cash each month to make the payment.

The Halifax Building Society, which is Britain's largest mortgage lender, recently did research to see whether British parents could be encouraged to help their children with mortgage financing.

"The idea was to launch some kind of savings plan funded by parents that could eventually be converted to a mortgage," said David Nicholson of Halifax. "This could then be funded by either the children or the parents."

"What we were told, in no uncertain terms, was that parents reckoned they'd paid enough bringing their kids up and that it was about time they stood on their own two feet," he added.

MR. NICHOLSON said that elsewhere in Europe, parents were even less likely to help children with mortgages.

"In Germany and France, especially, because of the lower percentage of home owners compared to renters, such schemes are unheard of," he said.

In France, as in Britain, there are a few tax breaks on financial gifts but no incentives for parents to help children buy their first home, said Jonathan Mullen, a spokesman for Banque Paribas in Paris.

If you want to share your largesse with a couple planning to be married, you might want to make your Christmas gift the first big payment in a Bridal Registry Account. Under this new plan, offered by a growing number of nongovernment lenders in the United States, as well as the FHA, the down payment for a home is funded by cash contributions from families and wedding guests as gifts.

Mining for International Stock Gems

JAMES GLASSMAN ON INVESTING

IF YOU DO NOT OWN shares in foreign companies, you are making a big mistake. International stocks actually reduce the risk in your portfolio.

How large should your foreign chunk be? About one-quarter of your holdings is a good rule. If that sounds high, remember that the U.S. economy represents only about one-third of world output. Many investors, however, own a far smaller proportion of overseas issues — if they own any at all. That is a shame because it has never been easier to internationalize.

My strong preference is to buy mutual funds rather than individual stocks; analyzing companies is difficult in many markets.

You can buy broadly diversified funds, which own stocks from dozens of countries; small-company funds; value funds, which concentrate on overlooked stocks; regional funds; individual-country funds, many of which come in the closed-end variety; diversified emerging-market funds, which hold shares in many developing countries; and international hybrid funds like the highly regarded SoGen International and Merrill Lynch Global Allocation, which own a mix of stocks, bonds and cash.

Another trend in global funds is that annual expenses charged to shareholders are declining. For example, Harbor International, which earns Morningstar's highest ranking, five stars, had an expense ratio last year of only 1.04 percent, compared with 1.40 percent in 1990.

In fact, international funds provide such an embarrassment of riches these days that they are hard to select.

How to choose? A new analysis, published last week by Morningstar (1 312 696 6000), provides some clues. The best funds in recent years, research found, were those with "value-based investing styles, low portfolio turnover, below-average expenses, and longer-than-average manager tenure."

Value stocks are ones that appear to be bargains, as indicated, for instance, by relatively low stock prices, compared with a given company's earnings. This price-to-earnings ratio shows how many times a company's annual earnings investors are willing to pay to buy its stock.

My own favorite among U.S.-based international value funds is Tweedy, Browne Global Value. Tweedy's U.S. holdings amount to 14 percent of its portfolio, according to John Spears, the fund's co-manager. Japan is 16 percent, Switzerland 14 percent, France 8 percent.

Tweedy, Browne, a venerable U.S. firm with ties going back to the investment philosopher Benjamin Graham (mentor to Warren Buffett), picks companies, not countries. Some of its stocks are decidedly obscure: Kone, for example, a Finnish elevator company. What they have in common is value — an average price-to-earnings ratio that is 25 percent below that of the international-stock universe.

Market timing — that is, guessing whether shares are headed up or down in the near future — is essentially impossible. So funds that keep turnover low do not run the risk of selling out at the bottom. Also, low turnover means low brokerage costs.

Colonial Newport Tiger is a stellar fund with a turnover of only 4 percent last year and 8 percent the year before (compared with about 100 percent for a typical U.S. fund). Despite political uncertainty, the fund has had the courage to keep its Hong Kong stocks, which constitute 53 percent of its portfolio, with 28 percent in Singapore and 13 percent Malaysia.

Longevity may be a necessity for international-fund managers. It is a tricky business, and experience is hard to find. "It's no wonder," writes Morningstar's Tricia Rothschild, "that fund companies strive to keep talented managers — like long-tenured stars Jean-Marie Eviellard of the SoGen group and Hakan Castegren of Harbor and Ivy International — on board for the long haul."

Markets outside the United States appear to have a lot of catching up to do with Wall Street. Morgan Stanley & Co.'s index of non-U.S. stocks has lagged behind its soaring American counterpart recently, rising just 12 percent this year.

Consider Europe. There would seem to be good reason to steer clear of countries such as Germany, France and Italy, where unemployment has been stuck in double digits for several years, perhaps as a result of government policies that saddle businesses with heavy social costs. But markets look ahead, and it is possible that in the future Europe will begin to throw off these welfare burdens. At any rate, many European countries are prospering through improved management techniques and opening markets, as well as by shifting production abroad.

■ Playing the Dow 10 Game

None of my columns this year elicited more enthusiasm than the one in September on the Dow 10, a system with a strong track record. Each year, you invest equal amounts in the 10 stocks among the Dow 30 that have the highest dividend yields; then do the same a year later.

In response to frequent requests, here are the Dow 10 (highest-yielders first), as of Dec. 18: Philip Morris Cos., J.P. Morgan & Co., Texaco Inc., AT&T Corp., Chevron Corp., Exxon Corp., General Motors Corp., International Paper Co., DuPont Co., Minnesota Mining & Manufacturing Co. To play this game correctly, you have to adjust all 10 holdings so that you enter 1997 with the same dollars in each stock.

Washington Post Service

Gabelli Mutual Fund Abandons Its Guarantee of a 5% Annual Return

By Carole Gould

THE GABELLI ABC fund reopens on Jan. 2, but without its minimum guaranteed return of 5 percent a year. The fund, started in 1993, originally offered a guarantee to help lure bank-account and certificate-of-deposit savers who were used to insured investments but were distressed by tumbling interest rates.

The Gabelli fund, with $31 million in assets, closed to new investors after its first day, guaranteeing the return for them for one year; similarly, it was only open one day a year after that to new investors. The fund, which can invest in almost any American stocks or bonds, will become a regular no-load, open-end vehicle.

There is now no need for the guaranteed-return incentive, said Mario Gabelli, chief investment officer of Gabelli Funds in Rye, New York.

He added, however, that "we may come back to this program when the markets come down sharply in a given year so that people would find a guarantee of 5 percent attractive."

ABC returned 7.92 percent a year, on average, for the three years ended Nov. 30, according to Morningstar Inc., the fund research company in Chicago. That performance lagged behind other U.S. hybrid funds, which gained an average of 12.17 percent a year, and the Standard & Poor's 500-stock index, which had an average annual return of 19.07 percent over the three years.

Several other funds started since the early 1990s also carry guarantees. Unlike the Gabelli fund, the Kemper Retirement funds I through VI and the Smith Barney Principal Return Funds that come due in 1998 and 2000 guarantee investors only a return of their principal if shares are held to maturity and dividends are reinvested.

The Kemper funds have termination dates 10 years after their start-up, and the Smith Barney funds have seven- and nine-year terms.

Their three-year annualized returns range from 7.99 percent for Smith Barney 1998 to 10.02 percent for Kemper Retirement I.

The concept of guaranteed funds has not been very successful, said Susan Paluch, managing editor of the Morningstar Investor newsletter. "That more funds didn't come out and that they gathered so few assets speaks for itself," she said. The group together holds about $850 million.

The Kemper and Smith Barney funds own a mix of zero-coupon bonds and equities. Their performances have probably been hurt by their zero-coupon issues, which are very volatile in reaction to interest-rate shifts, Ms. Paluch said.

She noted that 1994 was a difficult year for bonds, and that this year has been rough, too. As for the Gabelli fund, it no doubt was hurt over the three years by heavy cash holdings that ranged as high as 76 percent and averaged at least 30 percent, Ms. Paluch said.

■ Small Change for Coin Collector

On Dec. 3 in New York, a large group of collectors participated in the auction of the ancient coin collection of Michael F. Price, the value investor who sold Heine Securities to Franklin Resources this year for more than $600 million. But did Mr. Price's famed touch for value that he has consistently shown in managing his Mutual Series funds get him top dollar for his coins?

His collection, of gold and silver Greek and Roman coins, was assigned a presale value of $1.5 million to $2 million, but some analysts conjectured that it could bring even more.

In fact, Mr. Price collected $1.5 million for the coins, on the low side of the estimate, said Harvey Stack, whose Stack's Rare Coins conducted the auction. That amount is very close to what Mr. Stack's son, Lawrence, an executive of the auction house and a friend of Mr. Price since childhood, estimated that Mr. Price had paid for the coins over the years.

The auction results were shaped by some adverse market conditions, Harvey Stack said.

The strengthening dollar weakened the buying power of Asians and Europeans, traditional big buyers of ancient coins, he said. Additionally, recent excavations increased the supply of certain coins, pushing down prices.

New York Times Service

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December 20, 1996

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THE MONEY REPORT

Quick and Easy Money Transfers? Where There's a Wire, There's a Way

By Andrew Blum

RUNNING LATE on that Christmas present? Need to send cash to another country for your child's travel plans? Or just plain ran out of cash in a foreign country and your credit cards are maxed out?

The solution may lie in one of the banking transactions most frequently used around the world: wire transfers, which seem to be increasingly popular with banks and customers alike. Along with that comes a variety of other ways of sending money via wire, including Western Union, its competitor MoneyGram and your credit union or other commercial outlets in the currency-exchange or wire-transfer business.

For a variety of reasons, wire transfers handily beat checks. When postal strikes hit England last summer, for example, wire transfers were the way to go. They also eliminate the wait on checks clearing, since transfers arrive as cash. Generally, the transactions are quick and simple, typically taking one or two days for an overseas operation.

Two areas of growth in wire transfers are between the United States and China and the United States and Mexico. In a new service started Nov. 20, a joint venture between KeyBank of Cleveland, Ohio, and ChinaWire Corp. began improved wire-transfer availability between China and the West Coast of the United States.

Mexico has also grown as a market for immigrants to the United States who wire money back home, so the systems there are increasingly accustomed to handling such transfers.

Although almost any amount of money can be transferred, there is a fee that varies depending on the sending institution. Who pays the fee — the sender or the receiver — can also vary.

Among the biggest wire transactions on record was Texaco Inc.'s 1988 transfer of $3 billion to Pennzoil Co. to settle a lawsuit in the United States over the disputed acquisition of Getty Oil Co. The money had to be sent in three chunks because the sum was too big for the banking system to handle.

Banks around the world have the capacity to send and receive wire transfers. To do so, they have corresponding bank relationships with one another. Big banks can have thousands of these relationships around the world, so when arranging a transfer it is important to verify that the banks on each end are correspondents. This streamlines the operation by eliminating the need for a go-between bank.

Understandably, banks are loath to give out information about specific accounts and transfers, unless of course they are yours, so it was hard to track down users of transfers to assess consumer satisfaction.

But one New York bank customer, who recently was awaiting a several-hundred-dollar transfer from a British bank, recounted a string of mistakes and red tape that left him scrambling.

First, the sending bank left out the account number. Then, the receiving bank did not inform the customer that the money was in a holding pattern, awaiting a follow-up response from the sending bank as to the account number. Finally, after several days of back-and-forth correspondence, the receiving bank credited the transfer to the customer's account.

The anecdote shows that a transfer can only work if all the information is available. To properly process the operation, the sending bank needs to know the amount to be transferred and in what currency it is being sent and received; the recipient's name and account number; the receiving bank's name, address, and routing, or ABA, number; when the funds should be payable to the recipient's account, and who is to pay the transfer fee. If this information is not in order, there can be a problem.

Generally, once the wire is credited to the recipient's account, his or her bank sends a notice in the mail confirming receipt. Among the information on the form are the sending bank's branch and reference numbers. One such number includes the phrase SWIFT, which is a method of payment for transfers. These numbers can be used to sort out any eventual problems or discrepancies.

ONE OF THE BIGGEST banks in the wire-transfer business is, naturally, also one of the biggest banks in the world, The Chase Manhattan Bank in New York.

Patricia Boyce and Robert Blackburn, who are in charge of Chase's wire-transfer operations, described wire transfers as "painless."

About 87 percent go straight through, automatically, but should there be problems, a staff of 50 people works to fix them. Such miscues can include a wrong or missing account number, or even a missing name. In that case, the receiving bank has to contact the sending bank and find out what went wrong.

The bank's wire-transfer operation is in a Chase office in New York City. It looks like a typical big office, with computers, work stations and dividers. Off to the side behind a glass panel is a control room of sorts that monitors a wider range of Chase transactions.

Thousands of transfers move through Chase's system daily, and there are even more on the day after a holiday. The bank moves an average of $900 billion a day in wire transfers, with the average transfer ranging from $5 million to $6 million.

The high average is due to the large number of corporate transactions, although many individual wire transfers of far smaller amounts also go through the Chase Manhattan wire-transfer system.

As in most financial transactions, it pays to shop around and keep an eye on the fees. The KeyBank-ChinaWire venture, which first connected the Seattle area and 30,000 post offices and postal banks in China, allows for wires of up to $10,000 to be sent. Each transaction has a fee; for $100, the fee is $10.

The service, which is faster than previous transfer methods to much of the Chinese market, is to be expanded on the U.S. end to other states and then will be aimed at other Asian countries, said the ChinaWire president, Gilles Struckor.

"Our system is safe, reliable and simple to use for Chinese and English speakers alike," he said. "Our system is equipped to handle transfers of any size, from a few dollars to large corporate purchases and payrolls."

The wire traffic between the United States and Mexico, estimated to be in the billions of dollars, has also given rise to competition between banks and MoneyGram and Western Union, giving consumers a choice of services and fees.

For members of credit unions, such as the United Nations Federal Credit Union, fees can be lower than at banks. They are $8 for domestic U.S. transfers and $17 for international transfers. Discounts are available on off-peak days. On the 5th, 10th, 20th and 25th days of the month, fees are $6 for domestic wires and $15 for international.

A RANGE OF FEE and service options are also available in Europe and Asia, depending on whether you use a bank or MoneyGram or Western Union.

These two operators are owned by the same company, following the merger of First Data Corp. and First Financial Management Corp. But under a 1995 Federal Trade Commission consent decree, one of the services has to be divested.

Both companies have thousands of locations worldwide for transfers, but unlike with banks, which send the money to an account, the receiving party must pick up the money at the receiving outlets. Fees range as high as 10 percent of the total amount.

Many of the Western Union and MoneyGram offices around the world are in banks or American Express offices.

MoneyGram used to be owned by American Express and its office in Estonia, for example, is in an American Express affiliate. And Western Union has three offices in Indonesia at branches of Bank International Indonesia.

One way to find out which banks offer which services overseas is to contact the U.S. Embassy in a given country. In Moscow, for example, the embassy has a list detailing which banks in Russia offer wire-transfer services.

In most places around the world, and no matter which operator is used, wire transfers are available the same day or within one or two days. There may be exceptions, such as in a remote region of China, where even with the new KeyBank-ChinaWire service a transfer can take as long as three days to arrive.

If all this is still too low-tech for you, do not fret. Chase Manhattan and other banks are working on taking wire transfers to the next logical step: In the near future, wire transfers will be available via the Internet.

For information about ChinaWire, call 1 206 684 6475, or in the United States, 800 862 4462. Information also is available at KeyBank's web site: www.keybank.com.

To view the U.S. Embassy's list of banks in Russia that offer wire transfers, access its web site at www.iep.doc.gov/bisnis/cables/cable.html.

Information about MoneyGram is available at the following Internet addresses: www.estravel.ee/#eng and www.fc.gov/opa/9509/fdfin.htm. In the United States, call 800 926 9400. Check local directories in other countries.

Information about Western Union is available on the World Wide Web at www.westernunion.com. In the United States call 800 325 6000. Check local directories in other countries.

When Time Is Not Money, Put the Check in the Mail

By Barbara Wall

TRANSFERRING money from one country to another is seldom straightforward. Excessive commissions, double charging and delayed payment are only a few of the obstacles that consumers face in the cross-border payments jungle.

The European Consumers' Organization in Brussels, known by the acronym BEUC, has deplored banks for imposing disproportionate charges on low-value international payments. A spokesman for the association said that bank charges were often as high as 25 percent of the transfer amount.

BEUC has also criticized banks for failing to provide customers with adequate information on fees and international payment options.

There are several ways of sending money overseas, and the methods available depend on the risk that you are prepared to take, the time you have to execute the transfer, how much you want to pay and the purpose of the transfer.

If the transfer is urgent, your best bet is probably a telegraphic transfer, though this can be expensive for small sums. Provided that the bank systems abroad are electronically linked, a standard transfer should take about four days to execute, while an urgent transfer will usually clear within one or two days.

Charges vary widely, running as low as the equivalent of $5 for small transactions up to about $25.

There are cheaper ways of moving money electronically. Many banks around the world have joined together to establish their own low-value international payments systems.

InterBank On-Line System, or IBOS, links the networks of various European and North American banks, enabling international transactions to be completed online in real time. The service, which is available to account-holders only, costs from $10 to $27, depending on the amount being transferred.

Tipa Net is another international payment system, set up by Co-operative Bank in Britain and partner banks in Belgium, Germany, Italy, Spain and the United States. The service, which is not limited to account-holders, costs £9 ($15) or the foreign-currency equivalent. Transfers take from four to eight days.

If you prefer a more personalized mode of payment, other options include a banker's draft, a foreign currency check, Eurocheque or traveler's check.

The efficiency and reliability of all these payment methods depend on the respective national postal services. If time is on your side, however, paper-based transfers could be less expensive than an electronic transfer.

A pre-signed banker's draft is available in most major currencies. It can generally be bought from banks, whether or not you have an account. Banks negotiate the draft at the day's exchange rate and deduct a commission charge to cover expenses. The purchaser can then mail it to the beneficiary, who will be reimbursed in the local currency.

YOU CAN also send an ordinary currency check drawn on your account, although this is rarely recommended for low-value payments.

"Currency checks have to be cleared manually and the cost for the customer can be disproportionately high," said a spokesman for National Westminster Bank in London.

The American Express Money Order is a relatively inexpensive and convenient way of sending money by mail. A money order is available in dollars from American Express offices for a fee of 0.5 percent. It can be used like a check, made payable to a recipient and can be paid into a bank account. The maximum that can be sent is $10,000.

Although designed for face-to-face payments, Eurocheques and traveler's checks can be made payable to private individuals. The Eurocheque method is a Europe-wide system that allows individuals to write checks and withdraw money from automatic teller machines throughout Europe. There is an annual membership fee of about $15.

To send a Eurocheque as a gift, the check can simply be written in the beneficiary's home currency and sent by registered mail. The beneficiary should not be charged a commission, but the sender will be charged from 1.6 percent to 2.5 percent of the transfer amount, depending on the issuing bank.

Traveler's checks can also be made payable to private individuals, but if they are lost in the mail or stolen you will not be able to claim compensation. If you choose this mode of payment, expect to pay a buyer's fee of about 1 percent and a foreign-exchange commission of about 1.5 percent. Some banks impose higher tariffs.

There are many different brands of traveler's checks and some are more widely accepted than others.

A woman in Paris recently received Mastercard traveler's checks as a gift. The checks were in francs, yet two French banks refused to cash them.

The woman was finally able to cash the checks at a foreign-exchange outlet and was charged a fee of 6 percent. If she had received American Express traveler's checks, she would have been able to cash them at an American Express office free of charge.

BRIEFCASE

The Cost of Living At Home Abroad

Cost-of-living indexes are fine as far as they go, but as any expatriate knows, what you buy and how you live can make a bigger difference than the local price of potatoes.

Runzheimer International, a consulting firm in Rochester, Wisconsin, has calculated what it costs Americans to live like Americans in various cities around the world, taking into account housing, transportation, goods and services but not income taxes.

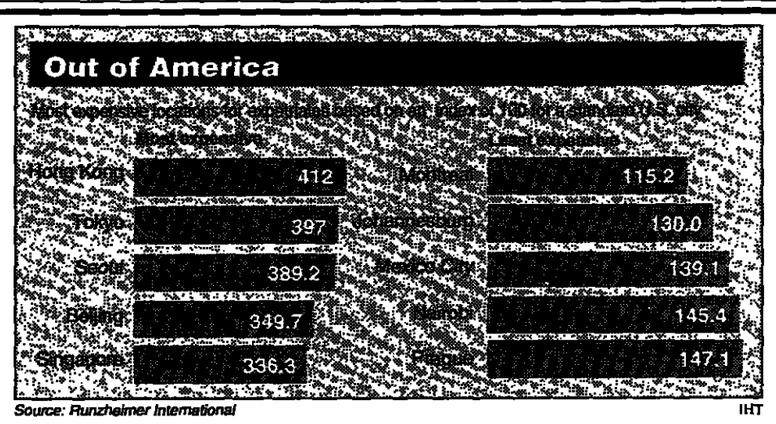
Based on an expatriate couple earning the equivalent of $75,000 a year, Asian business centers were the most expensive sites, with Hong Kong leading the way. Runzheimer created an index based on 100 for a standard American city, and Hong Kong was more than four times as expensive.

Even the least-expensive overseas postings cost more than life in the average American city, with Montreal the cheapest at 115.2, followed by Johannesburg at 130.0.

Real estate costs, which envisage the couple renting accommodations of four to six rooms, are among the reasons that even inexpensive places cost more than the United States. Indeed, New York's index number was 153.8 and Chicago's was 125.9, reflecting those municipalities' relatively high housing and retail costs, including sales taxes.

Peter Packer, a Runzheimer spokesman, said the index was constructed to take account when possible of brand-name items that are sold around the world. It calculates that Americans will live in affluent neighborhoods, such as Knightsbridge in London, where the index is 231.5.

Elsewhere in Europe, the American cost-of-living index was 206.0 in Amsterdam, 187.0 in Frankfurt and 223.8 in Paris. *(IHT)*



Source: Runzheimer International IHT

In U.K., Fleming Puts Funds On-Line

Robert Fleming Investment Management said it would allow dealing in its funds through the Internet, becoming the first British fund manager to permit retail investors to buy and sell on the electronic network. Its site is accessible via www.esi.co.uk.

Fleming, a unit of Robert Fleming Holdings Ltd., one of Britain's largest independent investment houses, said British residents could open accounts, buy, sell and switch between its 23 equity funds and five money-market funds worth $3.4 billion.

"It's a way for investors — or potential investors — to very quickly buy and sell funds with minimum fuss," said Shane O'Riordain, a spokesman for Robert Fleming in London.

The move comes 15 months after Fleming opened an Internet site, with dozens of pages of information about its funds, including daily price information and weekly market overviews. It supplies the information in English, German and Italian, Spanish and French are to follow.

Fleming offers pages with fund descriptions, performance figures and sector analysis. *(Bloomberg)*

Indosuez Clears Cloning Hurdle

U.S. mutual funds have been ploddingly expanding their offerings abroad in recent years, and Banque Indosuez SA is working on a method that would facilitate their sales in offshore markets.

Banque Indosuez Luxembourg has created what it calls a "cloning" technology that would allow U.S. mutual funds to offer their shares to offshore investors. It said this week that the Securities and Exchange Commission would allow development to proceed, agreeing not to take action against funds that use the cloning system.

The strategy lets managers bunch securities orders and allocate them among funds without having to individually track each investment. Banque Indosuez already uses the technique for two of its own internal funds, according to Michel Mengal, head of its legal services in Luxembourg. And Fischer Francis Trees & Watts has started a Luxembourg fund that uses the technique.

Mr. Mengal said Banque Indosuez hoped to find American partners that want their funds cloned for sale in offshore centers. This is preferable to direct purchases of U.S. funds by overseas investors, he said, because of such considerations as American withholding tax and inheritance laws.

The technique would not work the other way — bringing offshore funds to American investors — because most do not meet strict U.S. disclosure and marketing rules. *(IHT)*

Goldman Wary Of French Stocks

Goldman Sachs International has recommended that investors lower their exposure to French stocks and increase their holdings in Germany and Switzerland.

"We can see signs of companies seeking to increase return on equity in Europe, though there is less evidence of this happening in France," said Peter Sullivan, a European investment strategist for Goldman Sachs. "We see lackluster earnings growth — France is a potential loser. There also are risks related to monetary union, and if there are any hiccups on the way, spreads will widen."

Goldman Sachs said in its report: "With the changes we have made to our asset allocation, we enter 1997 with our major overweight position in Germany. We believe that valuations, liquidity flows, the business cycle, progress on EMU and restructuring all suggest that this is likely to be among the best markets in Europe." *(Bloomberg)*

A Nomura Merger

Nomura Securities Investment Trust Management Co. will merge with an affiliate, Nomura Investment Management Co., to increase capital and strengthen asset management skills, the company said in Tokyo. The merger is to be complete on Oct. 1. Both firms have branches in London, Luxembourg, New York and Singapore. Nomura Investment Trust has a Hong Kong branch and Nomura Investment Management has a Sydney branch. *(Bridge News)*

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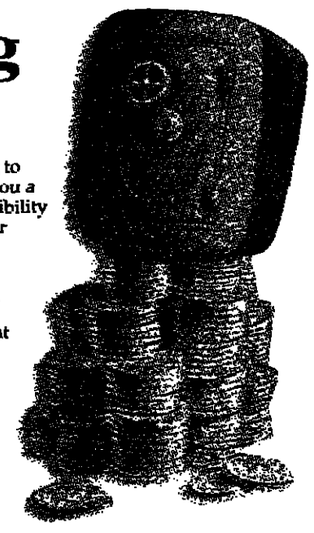
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IHT-JYS

Herald International Tribune
SPORTS
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WORLD ROUNDUP

Olympics? No, Grazie

OLYMPICS A group of Italian intellectuals and environmentalists opened a campaign Friday to prevent the 2004 Olympics from coming to Rome, saying the Games would only harm the city.

About 100 intellectuals, writers and environmentalists signed a petition urging the international community and Italians to protest Rome's bid to sponsor the summer Games.

"The singular historical and artistic nature of the center and the horrible state of transport and services in the entire metropolis would ensure the city is damaged by the presence of millions of people," the petition said. *(Reuters)*

Gullikson Reappointed

TENNIS Tom Gullikson was reappointed captain of the Davis Cup team Friday by the United States Tennis Association. He will be serving his fourth year as leader when the U.S. team begins Davis Cup play in Brazil on Feb. 7. *(AP)*

German finance officials declined to comment Friday on a newspaper report that tax inspectors had searched Boris Becker's home and removed several documents. The Bild daily said four tax inspectors had arrived at Becker's house in Munich on Thursday with a search warrant. They were admitted to the house although Becker was on vacation in Florida, the paper said in a front-page report. *(Reuters)*

Nevada Wins Vegas Bowl

FOOTBALL Nevada shut down Ball State until the final minutes, then turned back a last-gasp effort Thursday night to beat the Cardinals, 18-15, in the Las Vegas Bowl. *(AP)*

England Bounces Back

CRICKET An unbeaten century by Nasser Hussain put England in a strong position Friday after three hard-fought days against Zimbabwe at Queens Club in Bulawayo. Hussain's 101 came in 240 balls and enabled England to reach 306 for the loss of four wickets and get within 70 runs of Zimbabwe's first innings total. *(AP)*

Eric Feferberg/Agence France-Presse

Luc Alphand of France during his winning run Friday in the World Cup downhill in Val Gardena, Italy.

Alphand Triumphs in Downhill

The Associated Press

VAL GARDENA, Italy — Luc Alphand of France, gliding through fresh snow and patchy fog, claimed his seventh career victory by edging Atle Skaardal of Norway by 15 hundredths of a second in a World Cup downhill.

The 31-year-old Alphand, the defending World Cup downhill champion, completed the shortened Saslong course in 1 minute, 53.10 seconds, reaching speeds of more than 100 kilometers per hour (60 miles) despite uncertain visibility.

Kristian Ghedina of Italy was third in his best season finish, 0.20 back. His countryman, Pietro Vitalini, beat another Frenchman, Adrien Duvillard, for fourth place.

"When I woke up this morning I thought we were not going to compete today, because of snow and fog," said Alphand, who gave the French team its first victory at Val Gardena. "Instead it turned out to be a great day for me. This victory gives me a great sensation. I needed an early win this season and I certainly skied with more determination than in Val d'Isere.

"My 15-year experience in downhill was important today because visibility was not good and you had to perceive the bumps and the tricky parts," added Alphand, whose previous victory was the World Cup downhill in Garmisch, Germany, last Feb. 2.

But the Austrians, who had won five of the previous eight races, including the first season downhill at Val d'Isere on Sunday, had their worst showing of the season Friday.

The top Austrian finisher was Werner Franz in seventh, 0.78 seconds behind the winner. Fritz Strobl, the surprise victor of the season opener, had a gap of 0.83 seconds for eighth place.

Austrian team officials said that their skiers were hurt when the upper steep part, considered essential for the strongly built Austrian downhillers to pick up speed, was eliminated from the abbreviated course.

The race was delayed one hour and the course was shortened because fresh snow and fog made the top of the slope unusable.

The only good news for the battered Austrian team was the ninth-place finish of Hans Knauss, who strengthened his World Cup overall leadership with a total of 326 points.

■ Women's Race Canceled

World Cup race organizers Friday scrapped a women's downhill race because of wet weather and fog but said they hoped to proceed with Saturday's slalom as planned, The Associated Press reported from Crans Montana, Switzerland.

No new date or venue was set for the downhill. Conditions on the Mont Lachaux course were too bad to stage it the same day as the slalom, officials said.

For Next Generation Of Stars, Bigger Bucks

If You Find Sports Figures Overpaid, Wait for Effects of New Technology

By Ian Thomsen
International Herald Tribune

LONDON — If you think athletes are making too much money already, then here is more unhappy news as sponsored by the Internet, digital television and hungry mammoth corporations.

Take easy millionaires like Carl Lewis, Roberto Baggio and perhaps even Shaquille O'Neal, who signed a contract for more than $120 million last summer — within the next decade they might seem middle-class and unappreciated, compared to the spoiled generation of athletes who will take over in the new millennium.

"All of the money coming in from the new technologies is going to make the athletes, and the athletes' agents, realize that there's a lot more money for them to make," said Peter Sprogis, who is in the business of predicting such things. "The athlete is going to gain more money and more power as he understands that he or she is the underlying value of the sport."

American athletes like Michael Jordan understand. That's why Jordan will earn $25 million this season in basketball salary alone — more in one month than most of the world's top soccer players will have earned all year. As television changes, and demand for sports programming increases exponentially, the athletes will become more sophisticated. The European athletes, as Sprogis points out, will eventually organize and demand the collective-bargaining agreements similar to those that have guaranteed U.S. football and basketball players more than half of their sports' revenues.

That's just one of the many changes to be ushered in by the World Wide Web and its microchipped friends. For some who currently run international sports, the next decade will be frightening; for others, emboldening. Sprogis foresees new leagues and competitions. The much heralded takeovers by Rupert Murdoch are just the beginning.

"I'm not saying that I'm trying to promote these things," Sprogis says. "I'm saying that the federations have to be aware of these possibilities and come up with strategies of their own."

Many of Sprogis's predictions might be viewed as self-serving. Recently he and two fellow senior executives have quit ISL, the world's dominant sports marketing firm. Since its creation in 1982, ISL has negotiated the television rights and sponsorships that have transformed the Olympic Games, the soccer World Cup and most of the other major international sporting events.

Sprogis, Stephen Dixon and Tom Hipkins were the key negotiators of FIFA's $2.15 billion television rights deal for the 2002 and 2006 World Cups. After an apparent falling-out over the future course of ISL, they have formed Prisma Sports and Media, to be headquartered in Zug, Switzerland, with offices in London. Their hope is to pick up where ISL might be leaving off, to deal with the new issues that both gratify and threaten the aged institutions of international sport.

"The job of a middleman like ISL is coming to an end without a doubt," Sprogis says. "There is no reason why a major broadcaster with huge cash flow should do a package without cutting out ISL."

Sports agencies earn 15 to 25 percent commissions. Already the International Olympic Committee has dropped ISL, deciding to handle its marketing in-house.

"There is enough business for everyone," said the ISL chairman, Jean-Marie Weber, in a brief interview last week. He confirmed that the Sprogis group had wanted ISL to restructure.

A bigger threat to the current power structure of international sport — not just to ISL, but to the federations as well — will come with the advent of digital television.

In a world of 200 or more television channels available to each home, the cost of owning one of those channels will be minimal. "In 10 to 15 years, most of the TV rights will not be sold by the individual federations," Sprogis says. "This is just my own prediction, but I think the individual teams, if they don't sell the rights themselves, will own their own TV channel or part of their own TV channel."

Just as American athletes have realized and demanded their majority share of the income, so might the big European clubs decide that they are bigger than the federations. For example, the Italian, Spanish and English soccer federations currently oversee all of the clubs in their countries. What is to prevent the great clubs like AC Milan, FC Barcelona or Manchester United from breaking free to claim the greater share of the profit that each creates?

THEIR role model, oddly, might be the University of Notre Dame in South Bend, Indiana, possessor of the most popular college football team in America. In 1990, without warning, Notre Dame broke from its alliance with other major football schools and signed a five-year, $38 million contract for the exclusive television rights to its home games. If a small Catholic school that is an American role model could turn against partners so quickly, then surely the more secular institutions of soccer clubs are also prey.

Imagine the value of a top soccer club in the not-too-distant future when your TV will also serve you as a computer. For the price of a local phone call to the Internet, technology permitting, you might be able to sit in your home in Paris, Berlin or New York and "download" TV coverage from South America.

"Out of all of these options on your TV, only a few of them will be premium," Sprogis says. "There is going to be more space but less broadcasters capable of drawing the big audiences. Who's going to get the big unifying audiences? It's going to be the guy who owns the big sports."

Sprogis imagines the day when corporations will want to own major sporting events, rather than sponsor them as they currently do. That would allow the corporate owner to flood the event with self-serving advertisements, rather than share commercial time with competitors. (This trend has begun in the United States, where some of the postseason college football bowl games are owned and named after the sponsor.)

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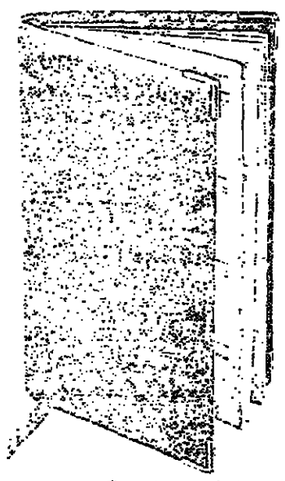

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Kotite Steps Down as Jets' Coach

The Associated Press

HEMPSTEAD, New York — Rich Kotite announced Friday that he is stepping down as coach of the New York Jets but will remain for the team's final game Sunday at home against the Miami Dolphins.

"When you're 3-13 and 1-14, that just doesn't cut it," Kotite said at the Jets' training site Friday. "If you take emotion out of this and I did, it's clear that the head coach should step down." He said his departure was by mutual agreement with Leon Hess, the team's owner, and Steve Gutman, its president.

Kotite gave a contradictory statement in announcing that he was leaving.

"I was not fired, I am not quitting," he said, perhaps referring to the fact as the team's general manager he could dismiss himself.

But whatever the circumstances, the dismissal was inevitable. Two weeks ago, Kotite acknowledged that he hadn't gotten the job done.

The Jets are 1-14 this season, their worst record in history, after a 3-13 record last year. This season, the Jets expected better after committing more than $80 million to free agents, including Neil O'Donnell, who received a $25 million, five-year deal after quarterbacking Pittsburgh in last January's Super Bowl.

But they lost their first eight games before winning at Arizona and now have lost six straight going into Sunday's finale against Miami.

Kotite acknowledged not only the record but the expectations and the no-shows — there were 55,000 of them against Houston Dec. 1 and 23,000 against Philadelphia last week — led to his departure.

SCOREBOARD

BASKETBALL

NBA Standings

EASTERN CONFERENCE
ATLANTIC DIVISION

	W	L	Pct	GB
Miami	18	7	.720	—
New York	16	7	.696	1
Washington	12	12	.500	5½
Orlando	9	11	.450	6½
Philadelphia	7	16	.304	10
New Jersey	5	15	.250	10½
Boston	5	17	.227	11½

CENTRAL DIVISION

	W	L	Pct	GB
Chicago	22	3	.880	—
Detroit	19	4	.826	2
Cleveland	15	8	.652	6
Atlanta	14	8	.636	6½
Charlotte	13	11	.542	8½
Milwaukee	13	11	.542	8½
Indiana	11	11	.500	9½
Toronto	9	16	.360	13

WESTERN CONFERENCE
MIDWEST DIVISION

	W	L	Pct	GB
Houston	21	4	.840	—
Utah	19	4	.826	1
Dallas	9	14	.391	11
Minnesota	8	17	.320	13
Denver	6	19	.240	15
San Antonio	5	17	.227	14½
Vancouver	5	21	.192	16½

PACIFIC DIVISION

	W	L	Pct	GB
L.A. Lakers	19	8	.704	—
Seattle	18	9	.667	1
Portland	13	12	.520	5
L.A. Clippers	10	15	.400	8
Golden State	9	17	.346	9½
Sacramento	9	17	.346	9½
Phoenix	8	16	.333	9½

THURSDAY'S RESULTS

Milwaukee	24	26	25	18— 93
Toronto	26	34	15	21— 96

M: Baker 7-12 6-11 21, Lang 8-12 3-5 19, Robinson 8-17 2-4 19; T: Stoudamire 8-21 1-2 19, Christie 5-8 5-6 17. Rebounds—Milwaukee 52 (Baker 11), Toronto 46 (Jones 17). Assists—Milwaukee 23 (Douglas 8), Toronto 24 (Stoudamire 12).

Utah	16	22	18	27 11— 94
Miami	26	16	15	26 4— 87

U: Malone 12-23 11-15 35, Hornacek 4-12 3-4 12, Stockton 4-9 3-4 12. Rebounds—Utah 54 (Malone 16), Miami 55 (Mourning 11). Assists—Utah 20 (Stockton 10), Miami 17 (Hardaway 8).

Chicago	24	30	15	24— 93
Charlotte	14	22	20	16— 72

CH: Jordan 13-27 6-7 35, Pippen 8-18 0-0 19; C: Rice 10-17 1-3 23, Smith 4-9 2-2 10. Rebounds—Chicago 58 (Rodman 14), Charlotte 49 (Mason, Geiger 8). Assists—Chicago 16 (Rodman 5), Charlotte 21 (Bogues 6).

San Antonio	23	27	35	30—115
Nenskae	29	22	22	28—101

SA: Robinson 8-14 4-11 20, Elliott 6-12 1-1 16; H: Drexler 6-14 5-6 19, Maloney 7-11 0-0 19. Rebounds—San Antonio 50 (Robinson 9), Houston 50 (Barkley 13). Assists—San Antonio 29 (Johnson 6), Houston 27 (Olajuwon 7).

Dallas	21	37	21	26—105
Vancouver	31	25	28	14— 98

D: Gatling 11-17 3-4 25, Harper 9-14 1-1 22, McCloud 8-16 2-3 21; V: Pesier 10-16 1-4 25, Abdur-Rahim 7-20 9-11 23. Rebounds—Dallas 39 (Gatling 10), Vancouver 44 (Lynch 10). Assists—Dallas 24 (Harper 11), Vancouver 29 (Mayberry 9).

Washington	31	28	24	19—102
L.A. Clippers	16	31	27	19— 93

W: Webber 12-18 0-1 25, Howard 11-19 3-4 25; L.A.: Rogers 10-19 5-7 27, Vaught 11-19 3-4 25. Rebounds—Washington 48 (Webber 9), Los Angeles 43 (Vaught 18). Assists—Washington 25 (Strickland 7), Los Angeles 15 (Martin 7).

Minnesota	28	25	28	24—105
Sacramento	29	27	29	27—112

M: Gugliotta 12-27 8-12 33, Marbury 5-12 5-6 18; S: Richmond 8-18 14-16 31, Edney 3-9 15-15 21, Gamble 8-17 3-3 21. Rebounds—Minnesota 47 (Gugliotta 12), Sacramento 53 (Polynice 12). Assists—Minnesota 24 (Marbury 8), Sacramento 13 (Gamble 4).

HOCKEY

NHL Standings

EASTERN CONFERENCE
ATLANTIC DIVISION

	W	L	T	Pts	GF	GA
Florida	18	7	7	43	98	72
Philadelphia	20	12	2	42	104	84
New Jersey	18	11	2	38	86	75
N.Y. Rangers	16	14	5	37	121	95
N.Y. Islanders	17	13	3	37	85	89
Washington	13	17	2	28	85	89
Tampa Bay	11	17	3	25	86	97

NORTHEAST DIVISION

	W	L	T	Pts	GF	GA
Hartford	15	10	6	36	97	97
Buffalo	16	14	2	34	94	91
Pittsburgh	15	15	3	33	116	111
Boston	12	15	5	29	90	111
Montreal	12	16	5	29	109	116
Ottawa	9	14	7	25	79	94

WESTERN CONFERENCE
CENTRAL DIVISION

	W	L	T	Pts	GF	GA
Dallas	19	10	3	41	92	75
Detroit	17	10	6	40	96	63
St. Louis	15	18	1	31	94	112
Chicago	14	17	3	31	85	87
Phoenix	13	15	4	30	82	98
Toronto	13	20	0	26	96	116

PACIFIC DIVISION

	W	L	T	Pts	GF	GA
Colorado	19	9	5	43	117	76
Edmonton	14	16	4	32	110	105
Vancouver	15	15	1	31	97	96
Calgary	12	17	5	29	83	93
Los Angeles	12	17	4	28	87	107
Anaheim	11	16	5	27	90	105
San Jose	11	16	4	26	78	103

THURSDAY'S RESULTS

Florida	1	0	1—2
Ottawa	0	4	1—5

First Period: F-Dvorak 7 (Lindsay, Mellanby) Second Period: O-Gardiner 5 (Dackell, Duchesne) 3. O-Alfredsson 12 (Daigle, Yashin) (pp). 4. O-, Hannan 2 (Van Allen) (sh). 5. O-Yashin 13 (Alfredsson) Third Period: F-Gerpenlov 5 (Hull, Wells) 7. O-Lambert 2 (Redden) (en). Shots on goal: F- 8-7-7—22. O- 12-9-11—32. Goalies: F-VanBiesbrouck, Fitzpatrick. O-Rhodes.

Tampa Bay	0	0	0—0
Boston	0	2	1—3

First Period: None. Second Period: B-Mallette 3 (D.Sweeney) 2. B-Kennedy 2 (Hankins, Mallette) Third Period: B-McCleary 2 (Roy) Shots on goal: T- 12-8-14—34. B- 7-8-10—25. Goalies: T-Tabaracci. B-Rantanen.

N.Y. Islanders	0	0	0—0
Philadelphia	2	1	2—5

First Period: P-Lindros 6 (Hawerchuk, Nilsinsa) (pp). 2. P-Nilsinsa 1 (Lindros, Coffey) Second Period: P-Lindros 7 (Coffey, LeClair) Third Period: P-Ranberg 6 (Lindros, Coffey) 5. P-LeClair 19 (Klatt, Samuelsson) Shots on goal: New York. 5-11-8—24. P- 11-14-9—34. Goalies: New York, Richaud. P-Snow.

Pittsburgh	0	4	0—4
St. Louis	0	0	0—0

First Period: None. Second Period: P-Lemieux 18 (Jagr, Kasparaitis) 2. P-Lemieux 19 (Francis, Jagr) (pp). 3. P-Lemieux 20 (Jagr) 4. P-Hatcher 6 (Jagr, Lemieux) Third Period: None. Shots on goal: P- 12-9-1—22. S.L.- 9-3-13—25. Goalies: P-Wregget. S.L.- Casey.

SKIING

Results of the men's World Cup downhill race on Friday, in Val Gardena, Italy:

1, Luc Alphand, France, one minute, 53.10 seconds; 2, Atle Skaardal, Norway, 1:53.26; 3, Kristian Ghedina, Italy, 1:53.30; 4, Pietro Vitalini, Italy, 1:53.34; 5, Adrien Duvillard, France, 1:53.46; 6, Franco Cavegn, Switzerland, 1:53.76; 7, Werner Franz, Austria, 1:53.88; 8, Fritz Strobl, Austria, 1:53.93; 9, Hans Knauss, Austria, 1:53.99; 10, Werner Perathoner, Italy, 1:54.00.

Downhill standings: 1, Luc Alphand, France, 140; 2, Fritz Strobl, Austria, 132; 3, Werner Franz, Austria, 116; 4, Kristian Ghedina, Italy, 105; 5, Atle Skaardal, Norway, 95; 6, Pietro Vitalini, Italy, 86; 7, Patrick Ortlieb, Austria, 74; 8, Adrien Duvillard, France, 61; 9, Josef Strobl, Austria, 58; 10, Werner Perathoner, Italy, 55.

World Cup standings: 1, Hans Knauss, Austria, 326 points; 2, Thomas Sykora, Austria, 262; 3, Kjetil Andre Aamodt, Norway, 260; 4, Michael Von Grunigen, Switzerland, 231; 5, Steve Locher, Switzerland, 215; 6, Christian Mayer, Austria, 207; 7, Josef Strobl, Austria, 187; 8, Jure Kosir, Slovenia, 177; 9, Luc Alphand, France, 172; 10, Guenther Mader, Austria, 171.

SOCCER

FRENCH FIRST DIVISION

Bastia 3, Bordeaux 1

STANDINGS: Monaco 45; Paris-SG 43; Bastia 42; Bordeaux 37; Auxerre 35, Metz 35; Strasbourg 34; Lyon 32; Nantes 31; Marseille 30; Guingamp 29; Rennes 28, Lille 28; Le Havre 25, Cannes 25, Lens 25; Montpellier 21; Caen 19; Nancy 16, Nice 16.

CRICKET

FIRST TEST
ZIMBABWE VS. ENGLAND
FRIDAY, IN BULAWAYO, ZIMBABWE
Zimbabwe 1st innings: 376
England 1st innings: 306-4
FOUR DAY MATCH
TASMANIA VS. PAKISTAN
FRIDAY, IN HOBART, AYSTRALIA
Pakistan 1st innings: 299
Tasmania 1st innings: 392-6
FOUR DAY MATCH
WEST INDIES VS. VICTORIA
FRIDAY, IN WANGARATTA, AUSTRALIA
Victoria 1st innings: 354
West Indies 1st innings: 312-5

TRANSITIONS

BASEBALL
MAJOR LEAGUE BASEBALL
AMERICAN LEAGUE
ANAHEIM —Agreed to terms with RHP Todd Von Poppel on one-year contract.
BALTIMORE —Agreed to terms with OF Eric Davis and OF Pete Incaviglia on one-year contracts and 3B Kelly Gruber on minor-league contract. Designated RHP Billy Percibal for assignment.
CLEVELAND —Agreed to terms with OF Lee Norman and RHP Terry Clark on minor-league contracts.
MILWAUKEE —Agreed to terms with LHP Angel Miranda on one-year contract.
MINNESOTA —Agreed to terms with OF Eric Anthony on minor-league contract.
NEW YORK YANKEES —Agreed to terms with 3B Charlie Hayes on two-year contract.
TEXAS —Agreed to terms with LHP Todd Urbanz and OF Mike Simms on minor-league contracts. Named Brad Arnsberg pitching coach at Tulsa, AA and Steve Foucaus pitching coach at Port Charlotte, FSL.
TORONTO —Agreed to terms with RHP Woody Williams on one-year contract.
NATIONAL LEAGUE
ATLANTA —Announced that RHP Mike Bielecki accepted salary arbitration. Put LHP Ben VanRyn on waivers for purpose of giving him his unconditional release.
COLORADO —Agreed to terms with C Steve Decker on one-year contract.
HOUSTON —Agreed to terms with OF Luis Gonzalez on one-year contract and LHP Mike Magnante on minor-league contract.
MONTREAL —Agreed to terms with LHP Rheal Cormier on one-year contract.
PITTSBURGH —Agreed to terms with SS Kevin Elster on one-year contract, and RHPs John Briscoe, Carlos Crawford and Keith Shepherd; 1B Kevin Young, INF Esteban Beltre and OFs Keith Mitchell and Manny Martinez on minor-league contracts.
ST. LOUIS —Agreed to terms with C Danny Sheaffer on one-year contract.
SAN DIEGO —Announced that OF Greg Vaughn accepted salary arbitration.
SAN FRANCISCO —Traded C Tom Lampkin to St. Louis for a player to be named or cash.
BASKETBALL
NATIONAL BASKETBALL ASSOCIATION
FLORIDA —Waived G Clinton McDaniel.
ROCKFORD —Signed G Russie Fields.
FOOTBALL
NATIONAL FOOTBALL LEAGUE
MINNESOTA —Signed Brad Johnson to four-year $15 million+ contract.
NEW ORLEANS —Activated WR Brett Bech from practice squad. Put RB Ray Zellars and DL Willie Broughton on injured reserve.
NEW YORK GIANTS —Activated HB Robert Walker and DL Darnell Gilford from practice squad. Put HB Keith Elias and CB Willie Beamon on injured reserve.
HOCKEY
NATIONAL HOCKEY LEAGUE
BOSTON —Recalled C Todd Ellis and D Anders Myrvold from Providence, AHL. Reassigned C Bill McCauley from Charlotte, ECHL to Providence, AHL.
BUFFALO —Recalled G Steve Shields from Rochester, AHL.
CALGARY —Returned D Saint Heleniss to Saint John, AHL.
COLORADO —Recalled RW Christian Matte from Hershey, AHL.
EDMONTON —Reassigned C Jesse Belanger from Hamilton, AHL to Quebec, IHL. Reassigned D Nick Stajduhar from Quebec, IHL to Hamilton, AHL.

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SPORTS

Pittsburgh Keeps the Blues in the Doldrums

The Associated Press

A change in coaches did nothing to change the lousy luck of the St. Louis Blues.

The team fired its coach and general manager, Mike Keenan, in the afternoon, then lost to Pittsburgh, 4-0, Thursday night. St. Louis dropped its fourth in a row overall and team-record sixth straight at home.

Mario Lemieux scored three times and set up the other goal for Pittsburgh, and Jaromir Jagr had four assists.

"I think everybody was concerned," Lemieux said. "Anytime you make changes, the other team can get fired up. But we played a solid game right from the start and didn't give them much to get excited about."

The Blues' shake-up included the firing of the team's president, Jack Quinn. Jimmy Roberts took over as interim coach.

"I think it was a tough day for a lot of people, especially the team," Roberts said. "With the confusion the last couple weeks, I don't think it's going to disappear immediately."

NHL Roundup

Flyers 5, Islanders 0 Paul Coffey set up three goals in his debut for Philadelphia, and the Flyers extended their unbeaten string to nine games.

Eric Lindros scored twice, and Garth Snow stopped 24 shots in the Flyers' third straight shutout. Philadelphia set a team record for the longest time without allowing a goal — 202 minutes, 30 seconds.

Bruins 3, Lightning 0 Bill Ranford posted his 14th career shutout, and Boston won for the first time in six home games.

Ranford stopped 34 shots in his second shutout this season. Troy Mallette scored a goal and had an assist.

Senators 5, Panthers 2 Alexei Yashin finished off a four-goal spurt in a 10-minute span of the second period as Ottawa stopped its six-game home losing streak.

Florida, leading the Atlantic Division, scored on its first shot of the game, by Radek Dvorak at 1:52.

But Ottawa, last in the Northeast, came back on goals by Bruce Gardiner, Daniel Alfredsson, Dave Hannan and Yashin.

Japan Beats Denmark In Nagano Hockey Cup

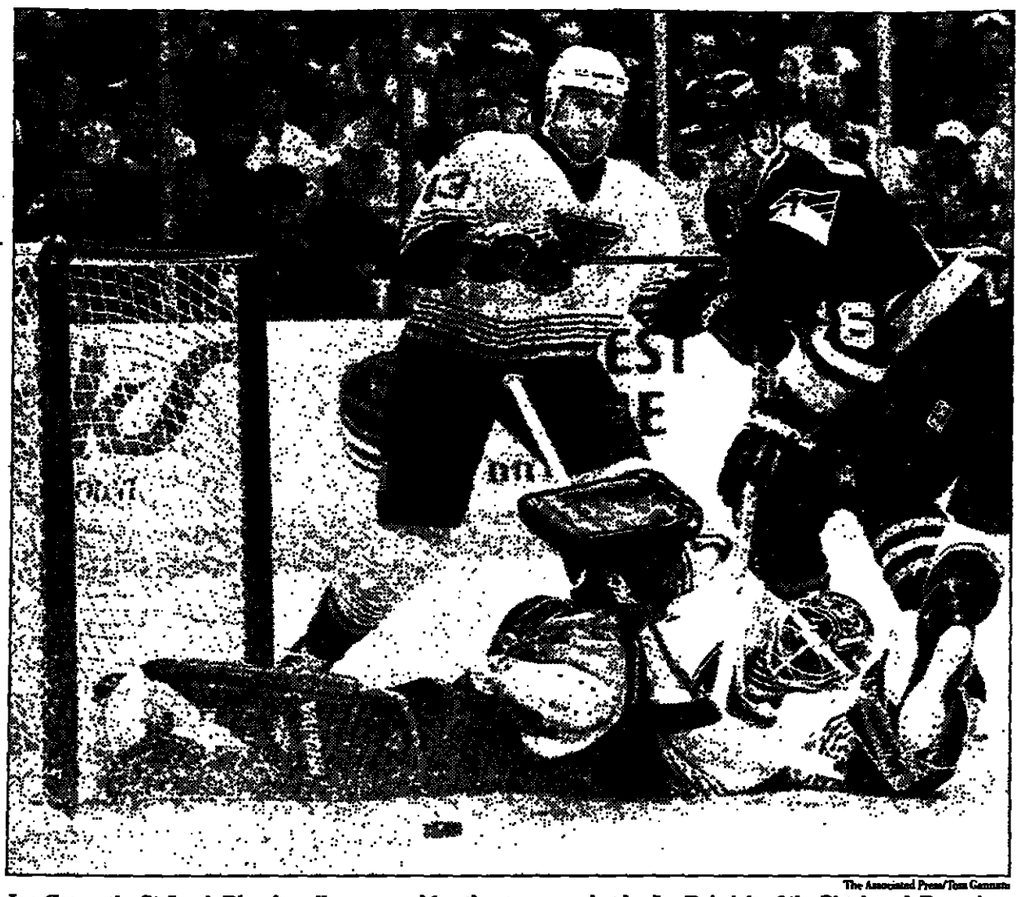
Agence France-Presse

NAGANO, Japan — Japan powered past Denmark, 4-1, on Friday and will advance to the semifinals of the six-team Nagano Cup ice hockey tournament as the winner of Group A.

Takahito Suzuki opened the scoring at 9:05, and Masaki Shirono made it 2-0 at 11:32. Akihito Sugisawa and Shin Yahata each scored late in the game.

Japan will play Finland's second-string national team in the semifinals Saturday, while the Canadian university selection will meet the Japanese league foreign stars.

In Group B, the Japanese league stars demolished France, 6-3 to finish first.



The Associated Press/Tom Gannam

Jon Casey, the St. Louis Blues' goalkeeper, making the save on a shot by Joe Dziedzic of the Pittsburgh Penguins.

Even With Flu, Jordan Is Too Much for Hornets

35 Points Lead Bulls to 93-72 Victory

The Associated Press

Shaking off the effects of a virus that left him nauseated and weak earlier in the day, Michael Jordan scored 35 points in 36 minutes to lead the Chicago Bulls to a 93-72 victory over the Charlotte Hornets.

Jordan, who hit 13 of 27 field-goal attempts Thursday night and had eight rebounds in helping the Bulls to their fifth consecutive victory, said he had never considered taking the night off.

"We're in a good rhythm as a team because we're winning, and I'd hate to distort that or break that up," he said. "I'd like to keep the winning going as much as possible, and I'd like to be there when my team needs me."

Jordan scored 22 points to help the Bulls open an 18-point halftime advantage, and they didn't let the Hornets get any closer than nine the rest of the way.

"As far as I could tell," the Charlotte coach, Dave Cowens, said, "Michael Jordan didn't seem like he had the flu."

Glen Rice had 23 for the Hornets, whose only two losses in their last seven games have been to the Bulls.

Spurs 115, Rockets 101 Charles Barkley poked a referee in the nose and drew blood as he was being ejected from Houston's second straight puzzling loss to San Antonio.

NBA Roundup

Barkley and Clyde Drexler were both ejected with 5:47 remaining for drawing their second technical fouls while arguing a call under Houston's basket. Barkley pointed at referee Jack Nies, and his fingernail caused a cut on Nies's nose.

In the meeting of the teams with the National Basketball Association's best and worst records, Dominique Wilkins scored 24 points off the bench, and David Robinson added 20 for the Spurs.

Jazz 94, Heat 87 Karl Malone scored 35 points, including the key basket at the end of the fourth quarter, and added 16 rebounds for Utah at Miami.

The Jazz rallied from a nine-point deficit in the last three and a half minutes of regulation. Miami scored only two baskets over the final seven minutes, including overtime.

Raptors 98, Bucks 93 Damon Stoudamire had 19 points, 12 assists and a key steal in the final minute. Doug Christie added 17 points and another important late steal, and reserves Carlos Rogers and Zan Tabak scored 16 points each.

Vin Baker had 21 points and 11 rebounds for the Bucks, whose three-game road winning streak came to an end.

Mavericks 105, Grizzlies 98 Derek Harper, filling in for the injured Jason Kidd, scored seven of his 22 points during a 16-0 fourth-quarter run that carried Dallas at Vancouver.

Bullets 102, Clippers 93 In Los Angeles, Chris Webber took charge after Washington fell behind in the fourth quarter, scoring six of his 25 points in a 2½-minute stretch. Webber also had nine rebounds and six assists, and Juwan Howard added 25 points for the Bullets.

Kings 112, Timberwolves 105 In Sacramento, Olden Polynice scored six of his 18 points in the final three minutes and Mitch Richmond scored 31 points as the Kings snapped a three-game losing streak with their highest point total of the season. Minnesota lost for the ninth time in 10 games.

Parcells and Patriots Ready for the Giants

By Timothy W. Smith
New York Times Service

New England (10-5) at New York Giants (6-9) The Patriots' coach, Bill Parcells, will face the Giants for the first time since he left the team in 1990. The Giants' coach, Dan Reeves, has already packed his bags in anticipation of being dismissed sometime after this game. Giants Stadium will be filled with all kinds of emotions. With injuries to Rodney Hampton and Tyrone Wheatley, the Giants are down to third-team running back Gary Downs, who was signed back in October. If the Saints can contain the Giants, the Patriots shouldn't have any problems. *Prediction: New England, 28-13*

New Orleans (3-12) at St. Louis (5-10) The Saints rose up and smacked the Giants around pretty good last week. Coach Rick Venturi probably wonders where that spirit has been for the last 10 weeks. The magic won't last two weeks in a row. The Rams aren't powerhouses, but they have enough talent and skill to overwhelm the Saints. *St. Louis, 26-10*

Miami (6-9) at New York Jets (1-14) The Dolphins played the spoiler against Buffalo last Monday night. But there's nothing they can ruin for the Jets, who have already sewn up the No. 1 pick in next year's draft. The Dolphins aren't any great shakes, but they have Dan Marino, who makes all things possible. *Miami, 30-15*

Atlanta (3-12) at Jacksonville (8-7) The Falcons' defensive end Chuck Smith was suspended for one game by Coach June Jones for conduct detrimental to the team. That's because Smith said the defense stunk because the coaching staff and management didn't make it a priority. Hey, the truth hurts. Jacksonville doesn't have that kind of mutiny going on. The Jags are too busy trying to sew up a playoff spot. If they beat the Falcons and Buffalo beats Kansas City or the game ends in a tie, they're in. Jacksonville will take care of its part. *Jacksonville, 29-19*

Arizona (7-8) at Philadelphia (9-6) The coaches couldn't find Ricky Watters to go in for a couple of plays last week against the Jets, and that has caused a mini-flap in Philadelphia. The Eagles are dragging that along with some poor play on offense and defense into this regular season finale and into the playoffs. The Cardinals are a scrappy bunch. Expect the Eagles to pull out all the stops. *Philadelphia, 24-22*

Chicago (7-8) at Tampa Bay (5-10) Just when the Bucs get the hang of this winning thing, the season is over. Maybe they can pick up it up next season. The Bears bring the curtains down on a disappointing season. Their rushing attack never materialized, and they lost their starting quarterback. Dave Krieg had a great game against San Diego last week, throwing three touchdowns and no interceptions. He won't be able to duplicate that against the Bucs defense. The Bears have won the last five, but they won't win this one. *Tampa Bay, 20-16*

NFL Matchups

Houston (7-8) at Baltimore (4-11) Both these teams go into the season finale wondering what-if. The Oilers got off to a nice 5-2 start, but fizzled. The Ravens, playing in a new town with a new name, never got out of the gate. Its injury-ravaged defense was a liability all season. Bam Morris has come on for the Ravens the last two weeks, rushing for 206 yards in two games. That provides a counterbalance to Testaverde and gives the offense another threat. They'll need that against the Oilers defense. *Baltimore, 29-21*

Indianapolis (9-6) at Cincinnati (7-8) The Colts have put on a hard charge in the stretch to make the playoffs. They need to beat the Bengals to ensure that all their hard work is not wasted. They've gotten healthy at the right time. Although the Bengals have won five of the last six in Cincinnati, the Colts should prevail this time. *Indianapolis, 23-20*

Kansas City (9-6) at Buffalo (9-6) The Chiefs are searching for their seventh straight appearance in the playoffs. The Bills also are looking to get into the playoffs. The Chiefs may have to go with Steve Bono, who was benched a few weeks back because of ineffectiveness, because Rich Gannon has a strained hamstring. It's not a pretty situation for Kansas City. They'll face one of the toughest run defenses in the league in Buffalo. And if Bono has to throw to win, the Chiefs won't win. *Buffalo, 24-17*

Minnesota (9-6) at Green Bay (12-3) The Packers have won their last 14 regular-season games at Lambeau Field and believe they must have home-field advantage through the playoffs to reach the Super Bowl. The Vikings have been on a hot streak lately, but with so much on the line, the Packers won't let this one slip away. *Green Bay, 35-27*

Pittsburgh (10-5) at Carolina (11-4) This shapes up as one of the best defensive duels of the season. The Panthers have allowed an NFL-low 56 points during the second half all season. The Steelers will have to test the Panthers' resolve with their power rushing attack. The problem for Pittsburgh is an unknown variable at quarterback. When Mike Tomczak is bad, he's really bad. *Carolina, 24-19*

Dallas (10-5) at Washington (8-7) With Washington knocked out of the playoffs, the only thing of note about this game is that it will be the last Redskins game played at RFK Stadium. That's enough incentive to knock off the resting Cowboys. *Washington, 21-18*

Seattle (6-9) at Oakland (7-8) Jeff Hostetler was shaken up last week and might not be available. If he can't play, Billy Joe Hobert gets the nod. The Raiders aren't the same without Hostetler. But they have won three of the last four against Seattle. They'll regroup and bring down the Seahawks. *Oakland, 22-16*

Denver (13-2) at San Diego (7-8) The Broncos will be going for a franchise record 14 victories. There isn't much incentive here for the Chargers. Maybe they can give Coach Bobby Ross an early 60th birthday present. (His birthday is Monday.) The Broncos will just do what they've been doing all year — run Terrell Davis and let John Elway work off that. *Denver, 29-15*

Detroit (5-10) at San Francisco (11-4) It's the swan song for Wayne Fontes, who had become the poster boy for resilient coaches. Fontes shouldn't expect any pity from the 49ers. San Francisco has finally gotten some continuity, especially at quarterback where Steve Young has put together a string of good performances. The Lions aren't ready to handle the 49ers' controlled passing attack. *San Francisco, 30-10*

Carlo Allegri/Agence France-Presse

Milwaukee's Vin Baker dunking, but it wasn't quite enough in Toronto.

DENNIS THE MENACE

"YOU'LL HAVE TO EXCUSE MY SON. HE'S REALLY BEEN ACTING HIS AGE LATELY."

PEANUTS

CALVIN AND HOBBES

GARFIELD

WIZARD of ID

BEETLE BAILEY

THE FAR SIDE

"You sure you're supposed to be doin' that, Mitch?"

DOONESBURY

GARFIELD

JUMBLE

THAT SCRAMBLED WORD GAME by Henri Arnold and Mike Argirion

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

DIPTE
RIPEV
PHORGE
NIMPED

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Print answer here: HIS _____ _____ (Answers Monday)

Yesterday's Jumbles: Answer: THINK PIECE CIPHER ACTING — How the ice house staff got their work done — BY CHIPPING IN

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DAVE BARRY

Oh, for a Bunch of Darrells

MIAMI — *I want a pit crew. I say* this after attending the NASCAR Slim Jim All Pro Homestead 150. This is an automobile race held at the Homestead Motorsports Complex in Homestead, Florida, which is a nice, all-American town, although it's also the only town I know of where a Citizen's Crime Watch meeting was disrupted by falling cocaine bales. Really. The bales had been shoved out of a low-flying plane being pursued by federal drug agents: one bale nearly hit the Homestead police chief.

But getting back to the race: It's sponsored by Slim Jim, manufacturer of quality snack substances that fall into the food group known to nutritionists as "Things You Eat Late At Night In Bars With Poor Lighting." These products include my personal favorite, the basic Slim Jim, as well as the Penrose Smoked Sausage ("Ready To Eat"), which, according to the label, contains both "mechanically separated chicken" AND "beef lips." (I don't know about you, but I'm picturing a pasture full of lipless cows, unable to pronounce "moo," wandering around going "oo! oo!")

□

Auto racing has sponsors galore. One car in the race I saw was sponsored by Lovable brand brassieres; it was painted hot pink, and on the front, printed in large letters, was a slogan that must surely strike terror in the hearts of racing competitors: "BRAS THAT FIT." In other races there were cars sponsored by Clabber Girl baking powder, Zippo, Lysol, Kleenex and Farmer's Choice Fertilizer.

Speaking of the drivers, they are — and I mean this in a positive way — insane. They strap themselves into extremely powerful, cramped, hot, loud, stripped-down cars without even a rudimentary CD player; then they spend hours screaming around a racetrack bumper-to-bumper, going so fast that you expect them at any moment to hit Warp Speed and vanish altogether into a "Star Trek" episode. When they crash — which they all do, sooner or later — they soup up their wheelchair motors and try to heal as fast as possible so they can race AGAIN.

I definitely would not want to be a racing driver. But I'd love to have a pit crew. This is a group of guys, most of them named "Darrell," who spend the race pacing around the pit area next to the track, nervously inflating and deflating spare tires. When their driver pulls in, the crew members spring into action, swarming all over the car, changing the tires, working on the engine, welding things, slapping duct tape over holes in the body of the car or driver — in short, doing whatever it takes to get the car back into the race, usually in just a few seconds.

□

That's what I want. I hate the procedure I have to go through when I have car problems, which involves letting the dealership keep my car for far longer than it would take to manufacture a new one. My theory is that the Service Department personnel spend most of this time in brainstorming sessions, sipping latte and trying to dream up new reasons why I should pay them $626.53. They've already used up the standard excuses engine, transmission, dead squirrel in the carburetor, etc., so they have to come up with something creative for when the Service Representative calls me:

SERVICE REPRESENTATIVE: The mechanic says you got a bad pyloric valve, and it's gonna run you, including parts, labor and latte, $626.53.

ME: OK, I guess I have to . . . Wait a minute, isn't the pyloric valve part of the human heart?

SERVICE REPRESENTATIVE: Hold on a second. Hey Lou! Is the pyloric valve part of the human heart?

VOICE IN BACKGROUND: No! The stomach!

SERVICE REPRESENTATIVE (speaking to me again): The mechanic says no.

ME: Oh, O.K., then.

I always pay them, of course. Like most people, I have no clue how my car works, or how much it should cost to fix. I just wish it didn't take so long. I wish that, when I had a problem, I could just pull up to the dealership and honk my horn, and a whole bunch of Darrells would come sprinting out and furiously attack my car with power tools for 17 seconds, at which point I'd hurl a check for $626.53 out the window and VROOOM I'd be out of there.

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Treasures Find Way Back to Cambodia

By Seth Mydans
New York Times Service

PHNOM PENH — In 1924, the French writer Andre Malraux was arrested and imprisoned when he removed nearly a ton of stone carvings and ornaments from a temple in the remote Cambodian jungle and trundled them away in oxcarts.

In 1980, starving refugees fleeing the terrors of the Khmer Rouge arrived at the border of Thailand lugging stone heads lopped from temple statues and silverwork looted from museums.

Today the looting continues, from hundreds of temples and archaeological sites scattered through the jungles of this often lawless country, sometimes organized by smuggling syndicates and abetted by antique dealers in Thailand and elsewhere.

Entire temple walls covered with bas-relief are hacked into chunks and trucked away by thieves. Villagers sell ancient pottery for pennies. Armed bands have attacked monks at remote temples to loot their treasures and have twice raided the conservation office at the temple complex of Angkor.

Seth Mydans/The New York Times

Restorer Hun Tha replaces broken head on statue of a female divinity.

But the tide is slowly beginning to turn. With the Cambodian government beginning a campaign to seek the return of the country's treasures, and with cooperation from curators and customs agents abroad, this has been a significant year for the recovery of artifacts. Fifteen objects have come home, in three separate shipments from three continents, raising hopes that some of the more significant artifacts may be returned.

In July, the United States returned a small head of the god Siva that had been seized at customs in San Francisco. Cambodia is a largely Buddhist nation, but over the centuries its history and its art have seen successive overlays of Buddhist and Hindu influences. At some temples, statues of Buddha mingle with those of the Hindu deities Brahma, Siva and Vishnu.

In September, the Thai government returned 13 large stone carvings, some up to 800 years old, that had been confiscated by the Thai police from an antique shop in Bangkok in 1990. Thai officials said the return was a gesture of goodwill meant to combat that country's image as a center of antique trafficking.

And just this month, a British couple returned a stone Brahma head — lacking one of its four faces — that they had bought at auction. Its Cambodian origin was confirmed by its inclusion in a list, published by the United Nations Educational, Scientific and Cultural Organization, of 100 artifacts that had disappeared from an inventory compiled in the 1960s.

In addition, Sebastien Cavalier, a Unesco representative here, said he was expecting the return as early as next month of a 10th-century Angkorean head of Siva that is in the Metropolitan Museum in New York.

Six bronze pieces sent to the Guimet Museum in Paris for cleaning and safekeeping in the 1970s could also be returned in the coming months, he said. "There are many ongoing projects to recover artifacts," Cavalier said. "This year was a good year because some efforts that started two or three years ago bore fruit."

Now with the launching in January of a major traveling exhibition of Khmer artifacts — to Paris, Washington, Tokyo and Osaka — accompanied by an updated catalogue of some of Cambodia's missing treasures, Cavalier said he hopes the returns will accelerate. The exhibit will be on display in Paris from Jan. 31 to May 26, in Washington from June 30 to Sept. 28, and in Japan from Oct. 28 to March 22, 1998.

But the pillage of artifacts continues at a far greater pace than the returns. Government control remains tenuous in much of Cambodia and the Ministry of Culture has little money for the protection of antiquities. There is little check on armed groups and corrupt officials throughout the countryside, where hundreds of temples remain unused and unguarded or overgrown with jungle.

Truckloads of treasures regularly pass through military checkpoints into Thailand, art experts say. Heavy stone artifacts are towed in fishing nets to cargo ships off the southern coast. In Thailand, skilled artisans repair or copy damaged objects and certificates of authenticity are forged.

Most of Cambodia's artistic patrimony remains uncatalogued and Cavalier said there was no way to know the full extent of what had already been stolen, or what remained scattered around the country.

Even in the National Museum, the jumble of objects in storerooms has not been put in order. The other day, Hun Tha, a restorer, painstakingly replaced a broken head on the 10th-century stone statue of a female divinity. But museum workers said there were no records to show where the statue and its broken head had come from or how long they had lain in the storeroom.

In his office in the Ministry of Culture, Undersecretary of State Michel Tranet stepped over piles of broken pottery and bits and pieces of statues to pull from a cupboard a brightly painted metal can bearing the words "Chocolate Sandwich Cookies."

Wrapped in newspaper inside were a tiny fifth-century ceramic head of Siva, a stone lion, a jade earring, a terra-cotta Hanuman monkey, a bone necklace and several small pre-Angkorean Buddha heads.

Villagers in Angkor Borei had unearthed these miniature treasures, Tranet said, and he had persuaded them, with a small payment, to give them up.

"I am sick! I am sick!" he exclaimed. "There is no way to stop this."

Last year in Siem Reap, he said, researchers discovered a 10th-century kiln site but had no way to protect it. Since then, soldiers and villagers have looted and sold more than 100 ceramic pieces.

"You can see them now in Thai antique shops," Tranet said. "Yes! I have seen them! Last week I saw them."

In what might have seemed an encouraging sign, he said, the Thai border police recently seized from smugglers six wooden statues of Buddha from about the 17th century.

"I am very happy," Tranet said. "This is good news. But they are asking for some compensation from us before they return them. They want $200. And we don't have $200."

HOLLYWOOD

Bacall: Of Smoke and Mirror Images

By Bernard Weinraub
New York Times Service

LOS ANGELES — *She's 72, still* glamorous and feisty, and looking for work. "Suddenly I've finished three pictures, can you imagine?" said Lauren Bacall with a soft laugh. "But now I'm unemployed. I mean, I've had a lot of dry years. So these pictures will, I hope, bring attention to the fact that I am around, breathing, walking and talking at the same time." She shrugged. "Whoever said it would be easy?"

Bacall lives in New York City but was visiting Los Angeles to promote her movies. One of them is "The Mirror Has Two Faces," in which she plays the vain and haughty mother of Barbra Streisand, who also directed. "I didn't always agree with her, but she's a good director, she helped me, and that's what a director is supposed to do."

She is in "My Fellow Americans," a comedy about two ex-presidents, played by Jack Lemmon and James Garner. "Frankly, I don't have much of a part in that, but I play Jack's wife, which is the reason I wanted to do it," she said. Then there is a French film, "Le Jour et La Nuit," scheduled for release early in 1997. "I'm a mystery woman in that one," she said, rolling her eyes.

Bacall talked about her career and life with the kind of candor that one somehow expects of an actress whose earliest role, in "To Have and Have Not" in 1944, stamped her image of sultriness and tough sophistication. "I've managed O.K. I have no beefs. I've been lucky."

She has always been blunt. "I was brought up that way, except when I didn't tell Howard Hawks I was Jewish, because he was anti-Semitic and scared the hell out of me," said Bacall, referring to the director who discovered her. "He made me so nervous so I didn't say anything. I was cowardly, I must say. I was not proud of myself."

Bacall said she did not see herself as especially confident ("I've been scared all my life") or beautiful. "People think I'm a woman in control, or that I'm this glamorous creature that can only be cast in parts that are glamorous or grand or

Nathaniel Welch/The New York Times

Bacall: ready for more films.

chic or whatever," she said. "It's not where my head is at all. I've never been crazy about my looks. I mean, I look the way I look, and there's not a hell of a lot I can do about that."

Bacall does not view her film career as especially successful, either. At 19 she was on the cover of Harper's Bazaar. At 20 she starred with Bogart in "To Have and Have Not." Shortly after that, they were married. "I've had a lousy career in many ways," she said. "Very sparse, very up and down, in and out. I've had a lot of years when nobody offered me anything. But because I have a tremendous will, I've been able to continue."

In "To Have and Have Not" her smoky voice and beauty made her a star. "It was out of all proportion to any reality," she said. "I was this brilliant, wonderful, funny, sexy genius. Can you imagine? And then Jack Warner, who was not a creative genius, made me do this second movie called 'Confidential Agent,' in which I was cast as an English girl. It was the worst movie, a nightmare, and I was terrible in it. And as quickly as I had been placed on a pedestal, I fell off. My career was all but over. It took me years to kind of claw my way back."

Had she not married Humphrey Bogart, Bacall said, her career would probably have flourished. Not that she regretted the marriage. "I would not have had a better life, but a better career," she said. "Howard Hawks was like a Svengali, he was molding me the way he wanted. I was his creation, and I would have had a great career had he been in control of it. But the minute Bogey was around, Hawks knew he couldn't control me, so he sold my contract to Warner Brothers. And that was the end. Hawks wanted to control me, and I think he may have had other things in mind, too. He thought I was a cute little thing."

She laughed.

Bogart died of cancer in 1957, and she moved to New York the following year. "I had no life here," she said of Los Angeles. "To be a woman alone in this town is not a happy situation. It was an unnurturing atmosphere out here. My career was not thriving. I was just dismissed. I had my mother and relatives in New York, and I needed them."

Bacall won two Tony awards for her Broadway musical performances in "Applause" and "Woman of the Year." She has written two books, "Lauren Bacall by Myself" (Ballantine) a 1979 autobiography that won a National Book Award, and "Now" (Alfred A. Knopf, 1994), a memoir of her later life. Recently, she has earned money lecturing to women's groups and appearing in television commercials for Carnival Cruise Lines.

After moving to New York, Bacall married and divorced the actor Jason Robards Jr. She has three children: Steven Bogart, a television producer; Leslie Bogart, a yoga teacher, and Sam Robards, an actor.

Bacall said she hoped that her current spate of film roles would lead to more parts. But she seemed to have few illusions about acting or jobs or just about anything else. "If they don't know me by now, or don't want to use me, I mean, forget it," she said with a shrug.

PEOPLE

FIVE months after he revealed that he was the anonymous author of "Primary Colors," Joe Klein is being sued for $100 million by a librarian who claims she was depicted as a loose woman in the book. **Daria Carter-Clark,** who runs an adult literacy program in Harlem, said in a libel suit that Klein portrayed her as a woman who slept with a character who represents **President Bill Clinton.** "Primary Colors" is a fictionalized account of the 1992 presidential campaign. Carter-Clark said Clinton visited her Harlem library when he was first running for president. The novel's main character, a married Southern governor and candidate for president, also visits a Harlem library, where a librarian named Ms. Baum runs a similar program. Carter-Clark, who is also suing the publisher, Random House, claims the book libeled, embarrassed and humiliated her.

□

Jack Lang, the former French minister of culture, has agreed to step in temporarily to help the Piccolo Teatro in Milan, after its founder, **Giorgio Strehler,** resigned. He will help the theater in its bid for funds from the Italian government, he said, and will head an international committee of Friends of the Piccolo to promote the resurrection of the theater, engulfed in financial problems aggravated by construction of a new auditorium.

□

When the actress **Demi Moore,** eight months pregnant and nude, appeared on the cover of Vanity Fair magazine in August 1991, the photograph by **Annie Leibovitz** raised eyebrows and made a best-seller of that issue. Paramount Pictures saw the photo as the perfect vehicle to advertise the slapstick **Leslie Nielsen** police caper "Naked Gun 33⅓: The Final Insult." In the film ad, the guilty and smirking face of Nielsen appeared above a pregnant model's body. "Due This March," said the teaser. Leibovitz was not amused and filed a lawsuit charging that the ad constituted copyright infringement. But the suit has been dismissed; **Judge Loretta Preska** of U.S. District Court in Manhattan said the "Naked Gun" ad was clearly a parody and passed the "fair use" test. "Like all parodies," she said, "it relies for its comic effect on the contrast between the original — a serious portrayal of a beautiful woman taking great pride in the majesty of her pregnant body — and the new work — a ridiculous image of a smirking, foolish-looking pregnant man."

□

The artist formerly known as **Prince** has confirmed that his first child was born in October with a problem, but he would not elaborate. Appearing on "Today" on television with wife, Mayte, he said: "All I can say is that I'd like to believe that we're both enlightened individuals that know that if you leave things in God's hands you'll find out everything, and you'll find out the answer to the plan. So anything that happens, we accept."

□

Anna Wintour, the editor in chief of Vogue, was just winding up a holiday lunch with three colleagues in New York when a well-dressed woman approached her table, pulled out a dead raccoon and tossed it onto her plate. "Anna wears fur hats!" the woman screamed and dashed out before anyone could apprehend her. Wintour retained her cool, turned to **Steven Florio,** the president and chief executive of Conde Nast, which publishes Vogue, and said, "Merry Christmas." The raccoon was removed, and the editor finished her coffee. **Julian Niccolini,** a partner in the Four Seasons, where the four were dining, said: "It was something I wish never to see in my life again. I don't think this is the right avenue to do anything like this." But he added, "We are holding the raccoon in the freezer in case she comes back."

Jim Cooper/The Associated Press

TICKLISH SITUATION — An auctioneer at Goodwill in Washington selling a "Tickle Me Elmo" doll, the hit toy of the Christmas season. Two Elmo dolls (normal price about $30 each) went for $140 and $155.

□

Kelsey Grammer, of NBC's "Frasier" and formerly of "Cheers," and his girlfriend of seven months, **Camille Donatacci,** have announced they plan to wed next fall. "I want to marry Camille not because I think she can make me happy, but because she already has," Grammer said in USA Today.

□

The country singer **Billy Ray Cyrus,** has been invited to dinner at the White House. Cyrus met **President Bill Clinton** in August, when Cyrus sang the national anthem at the president's campaign stop in Ashland, Kentucky.

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Spain◇	900-99-00-11
Sweden	020-795-611
Switzerland◆	0800-89-0011
United Kingdom▲	0800-89-0011
MIDDLE EAST	
Egypt◆(Cairo)◆	510-0200
Israel	177-100-2727
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